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Japan

Murata Supports Businessmen's Accompanying Bush

OW2912040091 Tokyo KYODO in English 0328 GMT 29 Dec 91

[Text] Washington, Dec. 28 KYODO—U.S. Business leaders accompanying President George Bush to Japan in January will help promote understanding between the two nations' industrial worlds, the Japanese ambassador to the U.S. said Saturday.

Ryohei Murata said in an interview with Cable News Network (CNN) that Bush's anxiety about the current U.S. economic situation is the reason the business leaders will be in his entourage when he visits Japan from January 7 to 10.

He said the business leaders and government officials will have opportunities to hold frank talks with their Japanese counterparts during their visit and that the talks will do "no harm."

Bush's visit to Japan is the last leg of his four-nation Asia-Pacific trip. Twenty-one U.S. business executives, including the heads of the "Big Three" automakers, will accompany Bush on his trip to Australia, Singapore, South Korea, and Japan.

Discussing a U.S. draft bill to cut the trade deficit with Japan, Murata said there are many reasons for the imbalance and that it is not right to blame only the exporting countries.

Richard Gephardt, Democratic leader in the House of Representatives, and four other Democrats plan to submit a bill to Congress that would place sanctions on Japan's exports if it does not balance its trade with the U.S. in a five-year period.

Touching on assistance to the former Soviet Union, Murata said it is hard to convince the Japanese people to extend full-scale aid to Russia before solving the countries' territorial dispute.

The longstanding territorial dispute involves four islands off Hokkaido—Kunashiri, Etorofu, Shikotan, and Habomai islets—which the Soviet Union seized immediately after the end of World War II.

Miyazawa Maps Strategy for Meetings With Bush

OW0101105492 Tokyo KYODO in English 1044 GMT 1 Jan 92

[Text] Tokyo, Jan. 1 KYODO—Prime Minister Kiichi Miyazawa said Wednesday he is prepared to make a political decision on the controversial issues of boosting domestic consumption and increasing imports of American automobiles and auto parts.

Miyazawa made the announcement during a meeting with several top government officials at a Tokyo hotel to map government strategy at two summit meetings with U.S. President George Bush on January 8 and 9, government officials said.

Those briefing Miyazawa at the meeting were Chief Cabinet Secretary Koichi Kato, Deputy Chief Cabinet Secretary Tetsuo Kondo, Vice Foreign Minister Hisashi Owada, and the head of the Foreign Ministry's North American Affairs Bureau, Koichiro Matsuura.

They discussed the Japanese stand on trade problems, including the issue of cars and car parts, expansion of the Japanese economy, and the contents of a joint Japan-U.S. "Tokyo Declaration" and action plan to be announced at a joint press conference during the Bush visit.

During the discussions, Miyazawa directed that every effort be made to coordinate policy on issues such as the expansion of Japanese domestic consumption, imports of American cars and car parts, and the reactivation of the Structural Impediments Initiative (SII) negotiations.

Miyazawa said at the meeting he is prepared to make a personal decision on the issues.

He indicated he also will take responsibility for a decision on Japan's possible participation in the U.S. superconducting super collider (SSC), an 8.25 billion dollar project Washington is encouraging other countries to join to defray costs.

Economic issues are expected to dominate the agenda when Bush and Miyazawa meet privately for the first half of their January 8 summit meeting.

A joint press conference scheduled for January 9 after the meeting in the morning has been postponed until later that day after Bush inspects U.S. companies operating in Japan.

Bush, who is now in Australia on the first leg of a four-nation Asia-Pacific tour, will arrive in Osaka on January 7 from the South Korean capital of Seoul.

Electronics Companies Plan To Boost Imports

OW2612102391 Tokyo KYODO in English 0953 GMT 26 Dec 91

[Text] Tokyo, Dec. 26 KYODO—Fujitsu Ltd. and Victor Co. of Japan (JVC) announced plans Thursday to increase their imports in line with requests from the Ministry of International Trade and Industry (MITI).

All 10 major Japanese electronics manufacturers have thus come up with plans to expand imports by 10 to 30 percent a year under the MITI's import-boosting "business global partnership" program, intended to alleviate Japan's trade friction with the United States.

Most of the programs, however, were only updated versions of the companies' old import expansion plans and were lacking in effective import boosting measures, analysts said.

They noted a large portion of the imports will come from the companies' overseas production bases.

Fujitsu said it aims to increase its imports, mostly semiconductors, to 200 billion yen in fiscal 1993, up 33 percent from fiscal 1991. It also seeks to increase local procurements by its overseas subsidiaries to 170 billion yen in fiscal 1993.

JVC said it plans to increase its imports to 50 billion yen in fiscal 1993, up 28 percent from fiscal 1991, through expanded purchases of audio-visual equipment components and prerecorded audio and video cassettes.

It also aims to increase the ratio of overseas production in its total operations from 42 percent in fiscal 1991 to 50 percent in the future.

Among other companies, Matsushita Electric Industrial Co. plans to increase its imports to 600 billion yen in fiscal 1993, up 43 percent from fiscal 1991; Hitachi Ltd. will up imports 105 percent to 410 billion yen in fiscal 1994; and Toshiba Corp. to 239 billion yen in fiscal 1993, up 41 percent.

While computer manufacturers are moving to increase imports of semiconductors, home electronics manufacturers are planning to boost imports of products and components from their overseas production bases.

Automakers To Boost Parts Purchases in U.S.

OW2912033191 Tokyo KYODO in English 0315 GMT 29 Dec 91

[Text] Tokyo, Dec. 29 KYODO—Japan's "Big Five" automakers are planning to boost procurement of U.S.-made auto parts by 30 to 40 percent above increases announced earlier to help ease trade friction with the United States, the NIHON KEIZAI SHIMBUN newspaper reported Sunday.

In November, Toyota Motor Corp., Nissan Motor Co., and the other three auto manufacturers announced plans to purchase 16.36 billion dollars worth of U.S.-made parts during fiscal 1994 which ends in March 1995.

The figure represents a 91.1 percent rise from fiscal 1990.

However, Michael Farren, U.S. undersecretary of commerce for international trade, recently reiterated Washington's discontent with the voluntary procurment-boosting plan.

The complaint prompted the major Japanese car makers to review their plans, the economic daily said.

The Ministry of International Trade and Industry (MITI) has asked the automotive industry to boost the total value of purchases of U.S. auto parts by 50 percent from the initial plan, the paper said.

The major Japanese automakers will announce their separate plans next month, timing the announcement to coincide with U.S. President George Bush's Japan visit from January 7 to 10, the paper said.

Watanabe Supports Rice Import Tariffication

OW0201105392 Tokyo KYODO in English 1008 GMT 02 Jan 92

[Text] Utsunomiya, Jan. 2 KYODO—Foreign Minister Michio Watanabe on Thursday urged Japanese farmers to drop their opposition to a proposal to dispense with Japan's total ban on rice imports by substituting its nontariff barriers on foreign rice with tariffs.

Underlining that Japan must choose between "two options" of either replacing the ban with an import quota or endorsing the proposed tariffication, Watanabe said it would be "more advantageous" to accept the tariffication idea.

The foreign minister made the comment at a New Year's rally of his supporters.

His comments came five days before U.S. President George Bush flies to Japan on a four-day official visit for a series of talks with Prime Minister Kiichi Miyazawa.

"Japan would be annoyed if the international community should ostracize Japan and begin to discriminate against it (as a result of its long-time refusal to open its rice market)," Watanabe said.

The government would be perplexed if farmers continued to object to liberalization and "would be bewildered" unless they agreed "on the more advantageous option," Watanabe said.

Tariffication would be more advantageous than the other option as it would only obligate Japan to give a 5 percent share of its rice market to foreign exporters, whereas the adoption of an import quota system in lieu of a total ban would translate into a 10 percent share, he said.

Japan and its trading partners are required to present their respective policy responses by January 13 to General Agreement on Tariffs and Trade (GATT) talks in reply to the "tariffication without exemption" proposal put forward by GATT Director General Arthur Dunkel.

It would be unacceptable in the eyes of the world community, increasingly eager to secure freer global trade, if Japan stuck to its age-old policy of refusing to allow a single grain of foreign rice into the domestic market, Watanabe said.

In trying to assuage Japanese farmers, anxious about the impact of the proposed rice liberalization on their business, Watanabe stated that the government would compensate them.

He said Bush and Miyazawa, during their upcoming talks, will jointly pledge to bring the Uruguay round to successful ending.

The United States and the European Community, currently wrangling over proposed adjustments to their

respective farm policies in response to the GATT proposal, are likely to compromise by phasing out their protective policy measures for their respective agricultural sectors, he said.

On other issues, Watanabe said he will soon request China to pressure North Korea to accept international inspection of its nuclear facilities, widely believed to be capable of producing plutonium for use in atomic weapons. Pyongyang has refuted the charges, based on U.S. intelligence reports including satellite photos.

He said he will make the request at an impending meeting with Chinese Government leaders during his official visit to China, which will start Friday.

It is necessary to request Chinese intervention in the nuclear inspection issue, as North Korea has not yet accepted an immediate check of its nuclear facilities, although it inked a pact with Seoul on Tuesday aimed at making the heavily armed peninsula free of nuclear weapons, he said.

He also expressed his determination to mediate to soften the growing confrontation between Beijing and Washington at a time when the U.S. Congress is considering clamping economic sanctions on China in a bid to pressure it into easing its harsh treatment of dissidents critical of Beijing's human rights record.

Watanabe voiced concern that the aggravation of U.S.-China political relations may force Japan to put its increasingly warmer relations with China on ice.

Japan is concerned about moves to "reverse the historic trend (of improving Japan-China relations) at a time when Japan and China are preparing to commemorate the 20th anniversary this year since the two normalized diplomatic relations," he said.

As for the northern territorial issue, Watanabe said he will try to strike a deal with Russian President Boris Yeltsin late in January in order to secure progress in talks to resolve the long-standing bilateral dispute over a Japanese claim on the four former Soviet Union-held islands off Hokkaido.

He said that "judging from the fact that President Yeltsin offered to solve the issue in accordance with law and justice," Japan would be able to get some idea during the talks as to how finally to resolve the issue of the four islands, taken by the Soviet Red Army at the end of World War II.

Watanabe and Yeltsin will meet in Moscow around January 28 and 29, when an international conference for ending hostilities between Israel and the Arab nations is to be held.

Advantages, Disadvantages of Freer Rice Market

OW3112083591 Tokyo KYODO in English 0806 GMT 31 Dec 91

[By Waka Hamada]

[Text] Tokyo, Dec. 31 KYODO—The specter of a freer rice market and an inrush of foreign produce has been haunting Japanese farmers ever since the rice issue first became a symbol of Japan's impenetrability to foreign competitors.

As has been the case with beef and cherries, however, the farmers' nightmare visions will probably prove to be no more than illusory, since letting foreign rice into the country is unlikely by itself to lead to the loss of their livelihood.

And even if Japan can continue to resist the heavy pressure to open its rice market at the Uruguay Round of global trade talks, it will be forced to do so anyway as the country's rice output declines with the dwindling—and greying—population of the rural sector.

"I think the advantages will outweigh the disadvantages if the rice market is liberalized," said Yoji Machida, chief economist at the LTCB [Long-Term Credit Bank] Institute of Research, a research arm of the Long-Term Credit Bank of Japan.

Machida said inhibitingly high tariffs on rice—perhaps 700-800 percent for the initial years—expected to be imposed after liberalization will keep consumers from buying foreign rice.

In addition, he said, Japanese consumers are so choosy about what they eat that foreign rice, perceived to be inferior in taste, cannot easily beat Japan's high-quality rice.

"Remember what has happened since we opened the beef and cherry markets," he said, referring to earlier cases in which Japan was pressured to open markets but has suffered little damage.

Yoshikazu Kano, president of the Research Institute on the National Economy, concurred that rice market liberalization will have only a "negligible" impact on domestic growers.

Kano projected that foreign rice could only take a paltry 10 percent of Japan's 10 million tons of annual rice consumption and only then if tariffs are reduced considerably, say, to under 300 percent.

"But thereafter, lowering tariffs will not much boost Japanese purchases of foreign rice as long as the national trend to buy quality products, even at higher prices, remains," he said.

Kano also argued that opening the rice market will give a badly needed boost to the sluggish restructuring of Japan's farming sector.

"We can be freed from these absurd, emotion-charged disputes over liberalization and can put more energy into farm reforms," he said.

Kano said the government should focus more on devising ways to make the farming sector more attractive to younger generations, who are deserting farms en masse for more profitable and exciting jobs in cities.

"The shortage of successors is a far more pressing issue facing Japan than liberalization," he said, adding fewer government controls and a more competitive environment would be the key to keeping the restless younger generations in the paddy fields.

Government studies show Japan's farm household population totaled 17.30 million in 1990, compared with 26.60 million in 1970, and according to one estimate the number will drop to 15.26 million in 1995 and 13.30 million in 2000.

Of this number, full-time farmers totaled 3.13 million in 1990, against 4.13 million in 1980, with those aged 60 or over, usually the retirement age here, representing as much as 48 percent against 1980's 28 percent.

"Japan cannot but import rice some day whether it likes it or not," said Machida of the LTCB Institute of Research.

He also argued that a freer rice market will relieve some of the pressure on the tight labor market in other sectors, because the farm market will become more competitive and force a substantial portion of its overemployed laborers to seek work elsewhere.

Part of the problem is that Japan's farm industry is notoriously nonproductive—five out of six of Japanese farmers till plots of an average size of 1.2 hectares, while their counterparts in Britain work areas 60 times that size and those in the U.S. 150 times larger.

Liberalization could also be to the advantage of the ruling Liberal Democratic Party (LDP), despite its time-honored policy ban on rice imports.

"This is a good chance for the LDP to cut its dependence on farm votes and to transform itself into a more city-oriented party," said Hiroshi Ouchi, associate professor at the International University of Japan.

The governing party has remained in power thanks mainly to the loyalty of farmers, who have long been over-represented because electoral boundaries have failed to keep pace with rapid population migration.

"Not a single grain of imported rice," government leaders have repeatedly promised farmers.

But the farming population is vanishing at such a rate that LDP mandarins may have no choice but to eat their words.

Draft Resolution on DPRK Inspections Planned

OW3112063391 Tokyo KYODO in English 0619 GMT 31 Dec 91

[Text] Tokyo, Dec. 31 KYODO—Japan plans to submit a draft resolution to the International Atomic Energy Agency (IAEA) on reporting the issue of inspection of North Korea's nuclear facilities to the United Nations Security Council, government sources said Tuesday.

Canada and Australia are expected to join in submitting the resolution to the IAEA council meeting in Vienna in late February, the sources said.

North Korea signed in 1985 the multilateral Nuclear Non-Proliferation Treaty, which requires international inspections, but has never allowed outside monitors into its facilities, saying the United States must also open its bases in South Korea to inspectors.

Last Thursday, the opening day of inter-Korean talks focusing on nuclear problems, Pyongyang announced it will soon sign, ratify, and implement the IAEA nuclear safeguards accord allowing international inspection of its nuclear facilities.

But Western countries and Japan are still doubtful about implementation of the accord by North Korea even if it signs, the sources said.

The planned IAEA resolution on reporting the North Korean nuclear inspection problem to the U.N. Security Council is aimed at increasing international pressure on Pyongyang to allow the inspections, the sources said.

If the resolution is adopted and the IAEA reports the issue to the U.N. Security Council, the Council could decide to implement mandatory nuclear inspections of North Korean facilities, according to the sources.

Although the U.N. Security Council's decision on mandatory inspections is likely to be vetoed by China, the sources say the IAEA's report to the Security Council will itself work as an effective factor in pushing North Korea to open its nuclear facilities.

Banks To Finance Chinese Oil Refinery Project

OW2612141191 Tokyo KYODO in English 1317 GMT 26 Dec 91

[Text] Tokyo, Dec. 26 KYODO—Five Japanese banks have signed an agreement to provide joint financing totaling 300 billion dollars to China National Chemicals Import and Export Corp., banking sources said Thursday.

The banks are Dai-ichi Kangyo Bank, Fuji Bank, Mitsui Taiyo Kobe Bank, Sumitomo Bank, and Chuo Trust and Banking Co.

The loans will be used for construction of an oil refinery in Dalian, a major port city in the northeast Chinese province of Liaoning.

The period of financing will be seven years and the Chinese corporation will begin repayment of the principal after the third year.

The refinery, a Chinese and French joint venture, is projected to have an annual refining capacity of five million tons of crude oil.

Miyazawa Gives New Year News Conference

OW0101015792 Tokyo NHK General Television Network in Japanese 2330 GMT 31 Dec 91

[News Conference by Prime Minister Kiichi Miyazawa with unidentified reporters, at his official residence in Tokyo; date not given— recorded]

[Text] [Reporter] Mr. Prime Minister, we wish you a happy New Year.

[Miyazawa] I wish you all a happy New Year, and I would like to ask you for your cooperation this year.

[reporter] It is already two months now since the Miyazawa administration was inaugurated last November. First of all, we would like to hear your review of last year as well as your views on what will become of this year, and what kind of a year you intend to make it.

[Miyazawa] Immediately after my inauguration, I stated in my policy speech that a plan for building a new order for global peace will start soon. Though I have been inaugurated for only about two months, I feel that my understanding was not incorrect. In this connection, we must do our best to promote the building of such an order. Viewed from a broader perspective, I think our contributions to this endeavor will be the major task for us this year.

And another issue concerns the budget, the compilation of which has just been completed. I have been doing my best in advocating the idea of making Japan a great place to live. Despite the fact that our country has been in a very difficult financial situation, I think we have compiled a very reasonable budget, with its emphasis centered on the promotion of public works. This year, I would like to carry out this budget plan in an effective way. And since our people are all concerned with the trend of business activities, I would like to take various measures, including the budgetary means, so as to turn the trend of somewhat sluggish business activities into a bright one.

[Reporter] There are many questions that I would like to ask you. However, I would like to ask you these questions one by one. My first question concerns domestic affairs and political issues. One point at issue is political reform which has been regarded as the most important task for the government and the Liberal Democratic Party [LDP]. With regard to political reform, Mr. Prime Minister, you mentioned even before your inauguration, that you would like to work out a conclusion in about a year or so. The question of appointing a chairman to the headquarters of the political reform was finally settled last December.

The abolition of the three bills concerned with political reform, including the bill on the combined electoral system of single-seat and proportional representation constituencies, was adopted at the previous—the one before last—extraordinary Diet session. And it seems that consultations will be resumed with a clean slate now. Concerning this issue, I would like to ask you various questions. For example, will the bill on regulating political funds be separated from these three bills? What is your idea about the basic plan for handling these bills?

[Miyazawa] Well, we have asked Mr. [Shun] Hasegawa to act as chairman of the headquarters [for promotion of political reform]. Since he is very enthusiastic about political reform, I feel very much encouraged. As you have just pointed out, consultations have been conducted, and various parties have presented their views at the consultations. It was mentioned that it would be impossible to promote political reform merely on the basis of the three abolished bills. Since this is a meeting for consultations, all participants will be asked to work out an accord on the best measures. Therefore, there is no reason why we should insist on basing the discussion on the three abolished bills. And concerning the weighting of one vote, it has been pointed out that it is not unconnected with the electoral system. I think it is important to first create an atmosphere, in which all the parties can smoothly join in consultations on this issue together with other issues such as the one on political funds.

When summit talks were held among heads of various parties on the budget issue the other day, they suggested their views on this issue, too. All their views did not indicate that they are not concerned with political reform. On the contrary, their views indicate that since they are concerned with the issue, they asked for measures to promote the consultations in a smooth way. I think their opinions are most reasonable. Therefore, I stated that I would like to have their approval concerning the general trend of the issue so as to have the bills adopted. And I hope that efforts will be made at the consultations in this orientation.

[Reporter] Some people in Komeito are beginning to say that they can respond to the calls for consultations and discussions if the imbalance in vote weight is contained within a one to two ratio. What is your view on such an opinion?

[Miyazawa] I learned about that from mass media reports this morning. What I know is that all parties see the need for political reform. Hence what I think most important is that they will assume a positive attitude on discussions on the reform. Only then can the discussions begin specifically on what needs to be done. I would like

to regard Komeito people's opinion highly from the perspective that they showed the basic attitude of being willing to have talks.

[Reporter] Then, I would like to ask you about the peacekeeping operations [PKO] bill. This was something that was carried on from the previous cabinet. Even though the bill is supposed to continue to be deliberated in the New Year, there are observations that the bill is likely to be scrapped—with the upper election coming during the year. Besides, the Democratic Socialist Party insists on upholding the condition of requiring Diet approval [for the dispatch of troops overseas]. The bill will need to be revised if the requirement is to be accommodated. Will you comment on this PKO bill question including such specific points?

[Miyazawa] I myself am partly to blame for the situation in which the PKO bill could not be passed during the session and that it needs further deliberation at the upper house at the next session. I am sorry about this. But the bill was given considerable time for deliberations not only in the lower house but also in the upper house, and the Diet agreed to have continued debate on it. During the course of deliberations, there were also views given from opposition parties and other people. I learned much from this process.

I am thankful that the Diet agreed to have continued deliberations on it. Now I hope that there will be further progress from this and that the bill will get passed at the regular Diet session. Toward that end, I will do all I can. People in general are coming to recognize that this has nothing to do with a war—that this may involve difficult work, worthy of receiving a Nobel Peace Prize, its purpose is not to use arms and shoot at someone. I would like to ask the Diet to continue to give it further deliberation, understanding this situation, and to pass it at the regular session.

Of course, it has been discovered from the debates at the two houses of the Diet, that there are various opinions on this question. Even though the government presented the bill, believing that it was most ideal, the bill was given a revision at the lower house. After all, it is only natural that the Diet as the legislative body should have its own views. The division of government power is intended for that. We must humbly accept the views of the legislative body.

It is possible that this sort of question will arise again in the course of deliberations in the upper house. We will listen to differing views. The main point is that Japan wants to make a personnel contribution to the UN peacekeeping operations. As long as the main purpose can be fulfilled, I feel we should be willing to respect and accommodate the views of the Diet.

[Reporter] So far, the Liberal Democratic Party, Komeito, and the Democratic Socialist Party have cooperated in the Diet operations. But friction has arisen among the three parties over the PKO bill. Will you explain your plans for cooperation with the opposition parties in the future?

[Miyazawa] In a meeting of political parties recently, party heads in fact brought up that question. They agree that something needs to be done. Initially there was agreement among the three parties [on the bill]. But later on some problems cropped up—the parties came to be sharply divided over some points in the bill. There was a tense air as well.

However, after all, the fact that the parties agreed to give the bill further deliberation means that they agreed to pause for a moment and then to think what together they should do about the bill.

The Social Democratic Party of Japan as well as Komeito presented their own bills. All the parties are aware of Japan's reponsibilities on world issues. That being the case, I think the parties should talk with each other on the matter.

[Reporter] My question concerns Japan's international contributions. The idea of the so-called international contribution tax abruptly surfaced before the draft budget had been formulated, but the idea has not come to fruition. How do you intend to make Japan's international contributions in the future?

[Miyazawa] Regarding Japan's international contributions, I, in my policy speech to the recent extraordinary Diet session, referred to peace dividends resulting from the building of a new peaceful world order. The peace dividends should be distributed to other nations and should contribute to resolving South-North problems. As far as the South-North problems are concerned, we understand that there are the problems of refugees, diseases, and destruction. In addition, the world and space are faced with various technological, scientific, and medical problems. In building a new peaceful world order, the human race is turning its eye to those problems. I believe that Japan's international contributions are aimed at resolving those problems. Japan has become an economic power, and it is now expected by other nations to provide funds and resources to settle those problems. I believe that Japan should meet such expectations. In principle, I believe that the idea of the international contribution tax was never wrong. I think that we should manage Japan's economy in such a way that Japan can meet such expectations before introducing the international contribution tax. In other words, I believe that Japan's economy should be managed to not only meet domestic needs, but fulfill Japan's international responsibilities. The international contribution tax has thus far been understood by some of the people. For example, our people have fully understood the need to provide the ODA [Official Development Assistance]. Japan has recycled a large sum of money for nations saddled with accumulated debts, and this has not been fully understood by all the people. In reality, however, Japan is doing that. Japan is a nation that is

expected by other nations to make major contributions to settling global and space problems. I believe that Japan's economy should be managed to that end.

[Reporter] I would like to ask how you intend to manage the economy and government finance. On which areas are you going to place priority in the draft budget for fiscal 1992? Mr. Prime Minister, you are reportedly placing great importance on measures to keep the economy afloat in compiling the draft budget. Would you specify the concrete measures you have in mind?

[Miyazawa] The finance minister and other officials have been working very hard to compile the draft budget. I think that they have compiled a very good draft budget under the present economic circumstances. At a time when fiscal revenues are expected to be down in the future, I think that they have worked out a very good draft budget under the present economic situation. What we must do among other things is to improve the people's livelihood. Although it is necessary to come up with measures to keep the economy afloat, they have secured financial resources for public works projects. The growth of the general account is set to be 5.3 percent. The fiscal investments in public works projects are set to increase by 10.8 percent. Independent public works projects to be carried out by local governments are set to grow by 11.5 percent. Thus, the central and local governments will implement massive public works projects. All these projects will provide a great impetus for economic growth. Speaking from the international standpoint, we need to secure expenditure for the ODA since Japan is committed to it and the budget is set to increase by 7.8 percent. Regarding the six-year golden plan for senior citizens' health and welfare, and the securing of nurses, the spending for the plan is reflected enough in the draft budget. As I have often mentioned to the budget committee, I have felt the need to increase spending on education, academic research, and the Education Ministry because they have been saddled with difficult tasks. In the draft budget, we have included a special fund for the improvement of national universities.

Regarding defense spending, the Finance Ministry, taking into account the current international situation, has agreed with the Defense Agency to increase spending by 3.78 percent after winning the understanding of the agency. Since we have asked members of the Self-Defense Force to live more frugally, we have placed spending priority on the improvement of logistical support by cutting back spending on the procurement of frontline military hardware.

[Reporter] When the financial measures as indicated in the current budget plans are taken into account, do you think that measures for dealing with land problem are sufficient? Or do you think that [words indistinct]?

[Miyazawa] A decision was made the other day on lifting the so-called ceiling on loans for land-related transactions, and I think this decision will also be instrumental in carrying out measures for handling housing problems. With regard to financial issues, the prime rate for long-term loans has been reduced. As for the prime rate for short-term loans, the Bank of Japan [BOJ] seems to have taken measures to induce capital movement and also to keep the rate at a low level. When such measures are taken jointly, I think they will be effective in dealing with issues concerning business activities.

[Reporter] My question concerns measures to deal with business activities. Are you considering another cut in the official discount rate?

[Miyazawa] As I have just mentioned, the BOJ has cut the prime rate for long-term loans and it has long tried to keep the prime discount rate for short-term loans at a low level. This issue has to be decided by the BOJ governor. I think we share the same understanding of the situation. And basically speaking I don't think there are any differences in our understanding of the situation. Therefore, I think I can entrust the BOJ governor with the decision on this issue.

[Reporter] My question also concerns measures to deal with business activities. Mr. Prime Minister, you have long advocated the idea of turning Japan into a great place to live. What concrete measures do you have in mind concerning this idea?

[Miyazawa] As I have just mentioned, it means that top priority should be given to investment in public works. And it is also important to increase, more or less, the share of social capital connected with living conditions. And another point, as I have just mentioned, is that sufficient manpower should be secured to promote the so-called golden plan which aims at improving insurance and welfare for the aged people so that our old people can also experience an affluent life.

[Reporter] At long last, President Bush will be visiting Japan on 7 January. Mr. Prime Minister, I think you understand that your talks with President Bush will be of great significance in predicting future Japan-U.S. relations. I would like to ask you about your basic stance on the upcoming Japan-U.S. summit talks.

[Miyazawa] I heard Mr. Bush's speech delivered at Pearl Harbor. He said that he had no rancor over the past. He also said that taking into account the fact that our two nations are working hand in hand for the sake of world peace and prosperity, he thought that the war dead did not sacrifice their lives in vain. I felt that it took courage for him to make such a speech before survivors and veterans, with the sunken warships in the background. And I think we must respond sincerely to such goodwill.

It is true that the American economy has reached a state in which it is hard to handle. And I think it is important for us to do whatever is within our power not only for the sake of the United States, but also for the peace and prosperity of the whole world. Since the president's visit to Japan coincides with the 50th anniversary of the attack on Pearl Harbor, this will be a good opportunity

for Japan and the United States to make a pledge to the world on mutual cooperation and we must pledge we will do what we can for democracy, liberty, and prosperity in the future. This is our basic understanding of the situation as we wait for President Bush to visit. Of course, President Bush is well aware of this point.

We would like to issue the Tokyo Declaration in this context; and we would also like to make his visit a chance for us to express our intention to do everything possible to settle the economic problems that the United States is now faced with, and to solve problems relating to Japan's huge trade surplus amounts.

[Reporter] You referred to the Tokyo Declaration. Will medium-term and long-term visions to be incorporated in the Tokyo Declaration not go beyond what you have just described?

[Miyazawa] Well, to put it simply, they will not go beyond what I explained just now.

[Reporter] It is said that the United States will put pressure on Japan to solve various issues— particularly the auto issue. I think your position in the past on the auto issue has been that of Japan doing what it can do. How do you specifically intend to deal with this issue?

[Miyazawa] Late last year, General Motors [GM] announced a plan for major plant shut-downs and big personnel layoffs. The United States itself was very much surprised by this, and we were also surprised. For Americans, GM is something like the Stars and Stripes. Its name has been known in the homes of American families since the early 20th century. Japanese cars may not be to blame for the whole thing. But still, the fact that they have been hurt by Japanese cars is a considerable shock to Americans. This is not an ordinary problem. Fortunately, people in the Japanese auto and auto-parts industry are aware of the world situation and the situation in the United States.

I want to help as much as possible so that U.S. cars may be sold. Where auto parts are concerned, it may be difficult to say that they should be used beginning immediately. But if Japanese and U.S. firms cooperate in joint development for the next one or two years, they should be able to come up with products that can be used. Taking this opportunity, I would like to ask the firms once again to make efforts toward this end. I know some efforts have been made even until now.

I am asking Japanese industry to think compassionately about this situation, symbolized in the scaling down of the Great GM.

[Reporter] I think that when President Bush visits Japan, he will ask for Japan's cooperation on the superconductivity supercollider [SSC] project. Even though a fund for it has not been included in next year's budget, what is your plan in this regard, in the medium- and long-term? Do you intend to provide cooperation? Some people talk about establishing a working group. Please give your comments.

[Miyazawa] Speaking about the peace dividends earlier, I said Japan should actively participate in research on space and the world. I think this is one of those projects. Hence, if there is anything Japan can do in this regard, it should cooperate.

But as a matter of steps, what I think the United States should do is first present its plan on the project and ask Japan to participate in the project from the initial stage. Then, the United States and Japan—well, they may not be the only members, but at least they are central members—should get together and review the plan jointly. We should arrive at answers to questions of where Japan can make personnel, technological, or monetary contributions, once that is done—once a joint review has been completed on the plan. I want to take these steps as the way to approach this matter. If people can agree on this approach, then, we may be able to start with a joint review. That is how I think.

I do not know what response there has been from the United States. But my view is that the matter should be pursued in such a manner.

[Reporter] What is your view on having a working group established?

[Miyazawa] As far as I am concerned, if that is the body for cooperation, really, I think it should begin by doing a joint review [of the plan].

[Reporter] I think the most troublesome issue this year will be the rice issue, and I think that this issue will be taken up during meetings with President Bush. If there is a renewal of the request to open up the rice market, how do you intend to respond?

[Miyazawa] I have explained that to you before, and have responded to questions on that matter at the Diet. Under the given, existing situation in the two Diet houses of this country, it is politically impossible to fundamentally revise the Food Management Law. That is my basic judgment. Besides, my basic stand is that we must not make a promise on something that cannot be kept.

But, meanwhile, the Uruguary Round of talks must also be concluded successfully. Then, what can we do? For a while we thought we should come up with an answer by the end of the year. According to Arthur Dunkel's document, there will be another meeting shortly after 10 January. I would like to watch the moves made by Europe and the United States. While doing so, I think we will have to think about how Japan can make contributions. I will say the same thing to Mr. Bush if he does ask me about it.

This, to begin with, is not an issue of bilateral negotiations but an issue of multinational talks. Basically, this is

an issue of the GATT. If there is a question on this, I will explain Japan's position in that manner.

[Reporter] At the Uruguay Round you just mentioned, Dunkel's paper included tariffication without exception, didn't it? Tariffication will force Japan to overhaul its agricultural policy. In this connection, Mr. Prime Minister, I would like to ask you whether you will carry through Japan's conventional stance at the Uruguay Round.

[Miyazawa] Since tariffication without exception has been sought for a long time by GATT experts as a means to settle issues, we do not need to see tariffication as unusual. I believe that introducing tariffication without exception after removing nontariff barriers is a reasonable idea; however, not only Japan, but other nations are subjected to tariffication without exception. Can the Food Management Law be amended under the present political situation? Under the present political situation, the law cannot be revised; this is a certainty. We, however, must think of what Japan can do to avert the failure of the Uruguay Round.

[Reporter] Social Democratic Party of Japan chairman Tanabe once insisted that Japan should think about tariffication flexibly.

[Miyazawa] Yes, you are right.

[Reporter] Tariffication without exception has become a crucial pending issue for Japan, which pursues the policy of living with trade. Since the issue has not arisen from the domestic political situation, ruling and opposition parties can discuss the issue, and you can stand in the forefront to tackle the issue. Do you think that it is premature to make such moves?

[Miyazawa] Although I am not taking high-profile actions, I am now working on the issue, which has two sides. I think that political parties must take a realistic view of the issue, and some within the ruling Liberal Democratic Party are taking such a view. As I just mentioned, there is a scope that the GATT can forcibly put the tariffication into practice. We have to think of what we should discuss with GATT. Japan can no longer maintain that it can do nothing as it has been. I believe that perhaps the people are gradually understanding this point; however, there is a limit to what Japan can do.

[Reporter] Concerned nations have until 13 January next year to answer Dunkel's paper. [Miyazawa] I do not know fully what the deadline means. The EC recently held a meeting of ministers concerned, and they said that they cannot accept Dunkel's paper. There are differences among EC member nations. I do not think that a situation wherein we can accept Dunkel's paper without dispute will be created until 13 January. We will state what we think at the Uruguay Round. I do not know how long the Uruguay Round will last. I believe that various discussions and debates will be held. I think that the EC shares our view.

[Reporter] In principle, in case that Japanese Government makes a political decision, it will do so after watching how the United States and the EC respond to Dunkel's paper.

[Miyazawa, interrupting] No, that is not true. All nations concerned will discuss the issue every day at the Uruguay Round; hence, various matters will occur simultaneously.

[Reporter] After 13 January?

[Miyazawa] Yes, you are right.

[Reporter] Then the Japanese Government will make no political decision before 13 January—I have heard that they will.

[Miyazawa] I think that my government will not make any poliitcal decision before then.

[Reporter] I would like to ask about your basic view of the political situation. I think that you are faced with the question of how you should deal with the Uruguay Round. You just said that under the present political situation, the Food Management Law cannot be amended. From the medium and long viewpoint, however, you can adjust differences with opposition parties, including the main opposition Social Democratic Party of Japan. The present political situation may change in the future. Can you think of any future concrete plans based on this prospect?

[Miyazawa] I think that I must think of them. The issue has been already debated nationwide, and I have been asked by people from various quarters to deal realistically with the issue. I believe that these moves are an indication that we are increasingly gaining people's understanding of the issue. Regarding something to take place in the future, however, I would not say something irresponsible about it if there were no clear-cut prospects. Public opinion is becoming increasingly flexible about the issue, which is a desirable trend for Japan's position in the GATT talks. I think that I should not speculate indiscreetly about how this issue will develop in the future.

[Reporter] Next, I would like to ask you about your visit to the ROK. Mr. Prime Minister, as your first visit to a foreign country since your inauguration, you are scheduled to visit the ROK beginning on 16 January. I would like to ask you about how you view the upcoming visit, and also what major topics you plan to bring up at the Japan-ROK summit talks. And another related question concerns what measures you have in mind to deal with the issue of acceptance of nuclear inspection by North Korea, the DPRK.

[Miyazawa] When we extend our perspectives to 2010 or 2020, the GNP [Gross National Product] in 10 ASEAN nations—shall I say, including Japan—will probably reach the highest in the world. When I say the highest in the world, it may sound rather ambiguous. Maybe I

should say higher than that of the EC [European Community] and the EFTA [European Free Trade Association], or I should say it is now growing to be higher than that of the United States, Canada, and Mexico combined together. Thus, I feel very much encouraged.

In this context, I stated in my last policy speech that, the most important foundation for Japanese diplomacy lies in our relations with Asia and the United States. Therefore, I used to think that if I should ever become prime minister and have the chance to visit foreign nations, I would pay my first visit to an Asian nation. When I served as chief cabinet secretary, I think I did suggest [then] Prime Minister Suzuki do the same thing.

In my opinion, this is because we have to take good care of what should be termed Japan's identity. Particularly in the case of the ROK, it has grown into a powerful nation, and it is one of our neighboring nations with a long history of exchanges. If Japan should fail to maintain friendly terms with this nation, Japan would not be qualified to voice its views on Asian affairs. In this context, I have chosen the ROK. It so happened that President No Tae-u visited Japan two years ago, delivered an excellent speech, and returned home with good results. Therefore, I would like to meet him in person and hold talks with him on various issues. I thought that I should start my tour of foreign countries with a visit to the nearest one.

As you have mentioned, the issue that is of great concern to the Korean peninsula and of course to the ROK, is the DPRK's capability to develop nuclear arms. A new order for global peace is being built and abolition of nuclear arms is being gradually carried out in the Commonwealth of Independent States, the former Soviet Union, now. If there should be a new proliferation of nuclear arms, we could not but feel seriously concerned because it would be happening in a location near us, and moreover, it would certainly become a serious problem when viewed from a global standpoint.

Thus, the DPRK should be asked to use discretion in dealing with the issue on the basis of the Nuclear Non-Proliferation Treaty. In this concern, the ROK side has taken a considerably drastic measure. Now that the ROK as well as the U.S. Armed Forces stationed in the ROK have taken a very drastic measure, it is the DPRK's turn to make the next move. Apparently, the ball is now in the other side's court.

It so happened that our country has been carrying on negotiations with the DPRK, and in carrying on the talks, we have stated that we could not but cherish the greatest concerns over this issue and that we would continue to have such concerns. And of course, concerning this issue, I would like to hold talks with President No Tae-e on the basis of such a stance.

[Reporter] Next, I would like to ask you some questions about the old Soviet Union to which you just referred. The Soviet Union collapsed last year. I think the nation is curious about how Japan's diplomacy toward the Soviet Union will change as a result of all this. Mr. Prime Minister, what is your plan to deal with the Soviet Union diplomatically this year?

[Miyazawa] Yesterday, a letter from me was conveyed to President Yeltsin of the Russian Federation. I think the Soviet Union of the past is being succeeded by the Russian Federation. I think all questions—for instance, those on treaties or the country's membership of the UN Security Council—can be interpreted on that principle. In other words, what used to be Japan's diplomacy toward the Soviet Union will be conducted with the Russian Federation hereafter. You can interpret it that way. The federation will be the central force. Of course, there are other influental countries like the Ukraine, Belarus, and Kazakhstan, and we have to maintain contact with them in an appropriate manner. But still, I think, the Russian Federation will be central.

Incidentally, when President Gorbachev came to Japan last year, he and Prime Minister Kaifu talked about the territorial question. Subsequently, last fall, Kunase, the then vice foreign minister of the Russian Republic, and a deputy vice-foreign minister of Japan agreed to establish a small committee to handle the question. As far as the territorial question is concerned, it can be said that there is now a channel for negotiations. I believe the negotiations should be pursued through that body.

[Reporter] Now, about the outlook for the settlement of the territorial question—do you think that the changes in the Soviet Union will have an impact on the negotiations on the territorial question? One more question. Are you planning to hold a summit with President Yeltsin? Can you in addition tell us what will become of the economic aid to that country?

[Miyazawa] First, as for the question on the territories, as I said, an arrangement for a committee has been made. Japan has asked the federation to hold a meeting of the committee at an early date. But after all, we have to admit it—the country is in great trouble. The country wants us to wait for a while. But the Russian people concerned insist that they believe President Yeltsin understands the situation. That being the case, what we can do is to hope that the matter will be taken up by the committee as soon as possible.

As far as I am concerned, this question should be settled without further delay. But if we make an error in our expression, this will be considered rude. We have to be polite. Nonetheless, I am sure that as far as the people living on the four islands at present are concerned, the subject of returning the islands should be a pleasant one indeed. Their living conditions will not turn worse than they are now. The return of the territories will contribute to promoting the prosperity of all of the region in general. I want them to know that that is what we want to take there.

There are limitations to what the government can say. They are not under its control. But by and by, people will be able to visit each other's country free of visas. We

want the people there to come and see Japan. After all, how the people living there now feel is most important. That is what I think.

As for a meeting with President Yeltsin, I am hoping that I will be able to see him soon, should an opportunity arise. But the country is now at a time of great changes. We have to take into account the situation there. I am sorry I cannot make a prediction on such a meeting at this time.

To speak about the aid, I believe that the humanitarian aid, like that for food or medical supplies, must take precedence regardless of where the request for it comes from. For that reason, the framework of $2.5 billion remains valid. I hope that the country will be able to use it effectively. The aid package includes some projects requiring technological assistance in such fields as fisheries and forestation. My understanding is that that part of the aid is beginning to be carried out. We have a commitment for $2.5 billion.

But when we come to the question of providing financial assistance to the country, as seen in the meeting between the Group of Seven nations and the Silayev Committee in Moscow that came as a result of the IMF Conference in Bangkok, there has not been a consolidated plan made available yet. They are unable to say what amount of money is needed at what stage—or who will use the money in what manner, or, first of all, what to do with outstanding debts.

Even though we think the financial aid requirement will grow large and become increasingly necessary sooner or later, it has not specifically gotten under way yet—this is the situation.

[Reporter] I would like to ask you about your plan for overseas trips in the first half of this year. I think the consecutive holidays in March, Golden Week in May and, some other opportunities are avaiable for your overseas trips. What plans do you have for your overseas trips? Where are you planning to visit and in what capacity?

[Miyazawa] A summit will be held in July—I believe it will be in Munich—and elections will also be held. So at present I have no concrete plans at all.

[Reporter] You mentioned the Munich summit as a set event. You will be attending for the first time as prime minister. What are you thinking of pleading as Japan's position at that meeting?

[Miyazawa] With the world changing so fast, it is not an easy thing to talk now about something that is seven months off. [laughs] But I think the big trend toward world peace and the Soviet.... [changes thought] I mean, the Commonwealth of Independent States and East European situations will undoubtedly be the central topics. Although originally it was planned that the summit should focus on economic matters, all these topics are inseparable. I think trends in the world economy will also be discussed.

[Reporter] Another question I have is on the Cambodian peace issue. There is this idea of convening the Tokyo Conference. What are your thoughts on this? The process leading to peace raises the issue of what will happen to the Peacekeeping Operations [PKO] Bill, but how do you think Japan should cooperate toward Cambodian peace?

[Miyazawa] Two years ago Mr. Sihanouk and other Cambodian leaders came to Tokyo for a conference. This was arranged through consultations with Thailand. At that time, the conference did not directly produce specific results, but all interested nations came to understand Japan's interest in the issue. If the so-called SNC [Supreme National Council] has the fortune to become a viable operational body comprising all warring factions, including the Khmer Rouge, the United Nations will begin its operations in earnest. But that is a job for the so-called UNTAC [UN Transitional Authority in Cambodia]. I think there will also be another question—that of the reconstruction of Cambodia itself. I mean to say that, while cooperating with other countries, Japan will face the bilateral question of what it can do and what it should do to help reconstuct Cambodia. Therefore, in that sense, I think it will be of great significance to hold a meeting in Tokyo to discuss ways of contributing to the reconstruction of Cambodia. To that end, the consent of Cambodia and its neighbors is of course necessary. During a recent visit to Tokyo, Thai Prime Minister Anan said he favors that idea. Therefore, I think that there will be no objections. But because this requires that all countries join efforts, we will have to consult thoroughly with interested nations. I wish to hold the consultations and think the conference should be held later. Regarding its relevance to the UN PKO Bill, no one knows what will happen yet. Therefore, I find it difficult to talk about it definitely now.

[Reporter] Next, I want to ask you about [words indistinct]. Your government is called a full-dress government. Perhaps we gave you that name. Anyway, your support in the polls was very high but has dropped quite a bit toward the end of last year. In this connection, I think that tightening up the party leadership will be a big task for you. It is our understanding that you are asking former Deputy Prime Minister Kanemaru to assume the post of party vice president. What is his response?

Due to my lack of experience, his response was not sufficient. Ever since I was inaugurated I have been telling Mr. Kanemaru that I would be much obliged if he helped me as party vice president. I met him again at year-end to ask him anew for this favor, and I have since been talking to him on the phone. Since he happened to meet a misfortune [Kanemaru's wife's death], I had been asking him for the favor right until the end of the year, but regretting that I always seemed to be bringing up my own circumstances with him. Therefore, I think he is considering it in various ways now. Since the party is scheduled to hold a convention in January, it is my wish

that his decisions will be made by then. Now that the new year is here, I want to keep asking him to accept my request.

[Reporter] Upper house elections will be held this summer, probably in July. In the last elections, the LDP suffered a disastrous defeat, leading to political confusion. Now, Mr. Prime Minister, from your vantage point as LDP president, what is the LDP's goal in the upcoming House of Councillors elections?

[Miyazawa] Seventy-six seats will be insufficient, because we won 39 seats in the last elections. Therefore, we must win 80 seats. That will be our goal.

[Reporter] Turning to the political schedule, some people contend that it will be favorable to the LDP to conduct upper house elections together with the lower house elections after dissolving the latter. What are your thoughts about this point?

[Miyazawa] I have not thought about that.

[Reporter] Does anyone have any other questions? Our time has run out. Thank you very much.

[Miyazawa] Thank you very much.

Miyazawa's Will 'Behind' Unexpected Rate Cut

OW3012031191 Tokyo KYODO in English 0259 GMT 30 Dec 91

[Text] Tokyo, Dec. 30 KYODO—Financial analysts say that they see behind Monday's official discount rate cut a policy "initiative" by Prime Minister Kiichi Miyazawa, timed ahead of U.S. President George Bush's visit to Japan early next month.

The Bank of Japan unexpectely lowered its official discount rate by 0.5 percentage point to 4.5 percent per year Monday morning, effectively immediately.

Toshio Ito, chief economist at Sumitomo Bank, said he saw "a strong initiative of Prime Minister Miyazawa" in the decision to lower the base rate.

"The cut also reflects a sense of impending crisis on the nation's economic outlook within the government and the central bank," Ito said.

Yukio Yanbe, chief economist at Dai-Ichi Kangyo Bank, said the government and the central bank seem to have judged it is essential to underpin the nation's domestic demand, taking account of Japan's expanding trade surplus.

"The timing (of the cut) was somewhat surprising," Yanbe said, adding that he had expected the cut sometime next month.

But it remained uncertain whether the cut would help the economy recover soon, as economic growth is about to decelerate steadily, Sumitomo Bank's Ito said.

"I'm not so optimistic (about the effect of the cut)," he said.

Government To Review Defense Buildup Plan

OW2812144591 Tokyo KYODO in English 1420 GMT 28 Dec 91

[Text] Tokyo, Dec. 28 KYODO—The government decided Saturday to start reviewing its current five-year defense buildup program in January of next year, one year ahead of schedule, in response to drastic changes in the global situation, government officials said.

The decision came at a meeting of the Security Council, chaired by Prime Minister Kiichi Miyazawa, shortly before the government approved a draft budget for fiscal 1992.

Miyazawa was quoted as saying in the meeting, "after settling on the midterm defense buildup plan, the international situation has greatly changed and the Soviet Union has dissolved."

The prime minister said Japan's financial situation is "very severe" and there is a need to start working on a review of the plan "earlier than scheduled."

The 1991 through 1995 defense buildup plan, which was approved by former prime minister Toshiki Kaifu's cabinet in December 1990, will cost 22.75 trillion yen, and represents a 3-percent increase in average annual defense outlays.

Of the total, some 5.1 trillion yen is allocated for frontal equipment such as aircraft, tanks, warships, and firearms, and approximately 9.15 trillion yen is set aside for logistic support.

The Kaifu cabinet had also decided to make an interim review of the plan in the summer of 1993 when the Defense Agency is scheduled to submit its budget appropriations requests to the Finance Ministry.

Chief Cabinet Secretary Koichi Kato told reporters that it is not known when review work on the midterm plan will be completed.

Defense Agency Chief Shohei Miyashita said he expects review of the plan to start ahead of schedule, but did not think the work would be completed until the summer of 1993 as originally planned.

Number of Births Decrease Fifth Straight Year

OW0101025092 Tokyo KYODO in English 0117 GMT 1 Jan 92

[Text] Tokyo, Jan. 1 [KYODO]—The number of babies born in Japan in 1991 dropped for the fifth consecutive year, decreasing by 2,600 from the 1990 figure to 1,219,000, according to a Health and Welfare Ministry report released Tuesday.

The birth rate per 1,000 of population also skidded for the 12th straight year to 9.9, off 0.1 point from 1990, the report says.

The rate per 1,000 sagged below the symbolic 10.0 mark for the first time since the ministry started compiling statistics.

The poor showing pushed the average number of children a Japanese woman will bear in her lifetime to an all-time low of 1.54, according to the report.

The figure ranked fifth among seven of the advanced countries—Britain, Italy, France, former West Germany, Sweden, the United States, and Japan, it says.

The ministry said the tendency of the birthrate to decline will continue to dog the society for several more years.

The number of couples marrying in 1991 shot up by 19,000 to 741,000, mainly because the second-generation "baby-boomers" in postwar Japan have reached the ages of 18 for men and 16 for women, at which they are lawfully allowed to marry, according to the report.

A ministry official also linked the temporary surge in marriages and a slight slowdown in the rate of decline of the birthrate to a "psychological effect" among young couples who were moved to marry by Prince Akishino's marriage to commoner Kiko Kawashima and the media-spotlighted birth of their first baby, a girl, in October.

The report also says 826,000 died in 1991, a rise of 6,000 over 1990, bringing to only 393,000 the net increase in Japan's total population in 1991—the number of births minus deaths.

The absolute increase dropped below the 400,000 mark for the first time in a postwar Japan, it said.

It said the main cause of death was cancer, which took the lives of some 225,000 people. Following in order were heart diseases, which caused about 166,000 deaths, and strokes at 119,000.

Divorces zoomed up to 169,000 cases, a sharp increase of 11,000 over 1990, it says.

The report points out that the figures translate into one baby born every 26 seconds, one person dying every 38 seconds, a couple wedding every 43 seconds, and a divorce every three minutes and seven seconds in Japan in 1991.

North Korea

North-South Talks Agree on Nuclear Declaration

SK0101060192 Pyongyang Korean Central Broadcasting Network in Korean 0400 GMT 1 Jan 92

[Text] The third North-South contact of representatives took place yesterday at Tongilgak, an area on our side's Panmunjom, to discuss the nuclear issue. The contact took place in camera.

The fifth North-South high-level talks adopted the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and South, a North-South document of agreement, and provided a channel of dialogue to discuss the nuclear issue on the Korean peninsula. This was followed by three rounds of North-South contacts of representatives. During the contact, the North and South completed the coordination of views and the drafting of the joint declaration on denuclearizing the Korean peninsula. This is another New Year's gift to all the fellow countrymen in the North and South, who have an earnest desire to prevent the danger of nuclear war on the Korean peninsula and to achieve peace in the country, as well as its peaceful reunification.

Our side made every sincere effort to discuss and resolve the nuclear issue, which is related to the nation's life and death, and showed sincerity and magnanimity all along. In the face of our side's just demands and its reasonable and realistic proposals, the South side admitted that their proposals were unreasonable and dropped clauses on the biological and chemical weapons issue, the issue of the inspection of all military and civilian facilities, the issue of our signing and ratifying the nuclear safeguards accord, and our unilateral acceptance of inspection, all of which have nothing to do with the nuclear issue. As a result, at yesterday's contact, the discussion of the draft North-South joint declaration on denuclearizing the Korean peninsula was completely concluded, and the two side's representatives initialed it.

During the contact, our side strongly asked the South side to suspend the Team Spirit joint military exercise.

Choe U-chin, our side's representative, gave a news conference and released a joint communique agreed on by the two sides. The joint communique is as follows:

North-South Joint Communique on the North-South Contact of Representatives To Discuss the Nuclear Issue.

The North-South contacts of representatives to discuss the nuclear issue took place on three occasions, between 26 and 31 December 1991.

Out of their common awareness of the mission to remove the danger of nuclear war by denuclearizing the Korean peninsula and to promote a favorable condition and environment for peace in the fatherland and its peaceful reunification, the two sides' representatives sincerely discussed the draft joint declaration on denuclearizing the Korean peninsula, completed its drafting, and initialed it. In connection with this, the North and South have agreed:

1. The North and South are to see that the joint declaration on denuclearizing the Korean peninsula comes into effect at the sixth North-South high-level talks on 19 February 1992 through necessary procedures for effectuation.

2. The North and South are to exchange the texts of the joint declaration signed respectively by the two sides' premiers in Panmunjom twice, on 14 and 21 January 1992, as a prior step.

3. The North and South have agreed that the joint declaration on denuclearizing the Korean peninsula may be amended and supplemented upon agreement by both sides.

[Dated] 31 December 1991
Panmunjom

Kim Il-song Delivers New Year Address

SK0101025092 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 1 Jan 92

[New Year address by Kim Il-song, general secretary of the Workers Party of Korea (WPK) Central Committee and DPRK president, delivered at a joint meeting of the WPK Central Committee, the Central People's Committee, and the State Administration Council at Kumsusan Assembly Hall on 31 December—recorded]

[Text] Dear comrades and my consanguineous brothers and sisters:

Today we are greeting the New Year 1992, full of great pride and confidence in victoriously pioneering the road of socialism under the banner of revolution.

Seeing the significant new year in, I offer wholehearted congratulations and warm greetings to all the people of the Northern half of the Republic, the brothers of the South and all other fellow countrymen abroad, including those in Japan. [applause]

I extend New Year greetings to the progressive people and our friends throughout the world who love justice and peace and are aspiring after an independent, new world. [applause]

1991 was a year of severe trials, a year of worthwhile struggle, and a year of glorious victory for our people. [applause]

Last year the imperialists and reactionaries concentrated the spearhead of attack on our Republic, the bulwark of socialism, and maneuvered to check our forward movement, resorting to all means and ways. However, any challenges and trials failed to break our party's and people's revolutionary conviction and will. Our party relied on the people, and our people trusted in the party, and they fought in unity with one mind, with the result that our cause of socialism has been firmly safeguarded and has been steadily making forceful progress. [applause]

I take great pride in and highly appreciate the fact that our people have overcome the ordeals of history and displayed to the full the heroic mettle of the revolutionary people and the indomitable spirit of chuche Korea, firmly united behind the party. [applause]

Last year our people made a devoted struggle with a rock-firm conviction and will that "When the party is determined, we can do anything," demonstrating their boundless loyalty to the party and the revolution. They performed brilliant feats in the building of socialism. [applause]

The heroic working class and the soldiers of the People's Army [KPA] as well as the construction workers who had launched a grand construction campaign for the everlasting prosperity of the country and a happy life of the people kindled a furious flame of innovation in the construction of the capital city and all the country's construction sites, braving all difficulties and hardships. [applause]

In hearty response to the party's call for increasing the production capacity and accelerating the modernization of the major sectors of the national economy, our workers and technicians successfully completed the project of increasing the capacity of the Musan mining complex. They also carried out successfully in a short span of time the project of modernizing and enlarging the equipment of the Hungnam fertilizer and the first-stage construction of the oxygen plant workshop of the February 8 Vinalon Complex, so that they further strengthened the might of our independent national economy and afforded a broad prospect for bringing about a new upswing in production. [applause]

Our agricultural workers and auxiliaries who had come out as one in response to the party's call, spread new soil over all paddies and non-paddy fields of the whole country and thus splendidly carried out the nature-remaking work for increasing the soil's fertility radically and brought about excellent results in last year's farming. [applause]

Our intellectuals, too, made an active contribution to developing socialist culture by working to the best of their creative wisdom and talents with a strong conviction in the cause of socialism. [applause]

Last year, the leading party, state, and economic guidance officials, upholding the slogan of the party "We serve the people," went deep among the masses and set examples to sincerely help and lead them, sharing weal and woe with them. The leading officials and the masses, in a body, made a worthwhile struggle to implement the party's lines and policies. In the course of this, the unity and cohesion between the party and the people in ideology and will has become even more solid and unbreakable. [applause]

The successes achieved by our people under the leadership of our party are the most valuable and worthy of pride because they have been achieved in the extremely difficult and complicated circumstances and in the most acute confrontation with the enemies, and they are a clear demonstration of the superiority and vitality of our socialism centered on the popular masses embodying the chuche idea. [applause]

I would like to express warm thanks to our workers, farmers, soldiers, working intellectuals, and all the other people and to the leading party, state, and economic guidance officials who, being of the same mind and will with the party, made a historical contribution last year to safeguarding and maintaining the cause of socialism and to victoriously advancing it. [applause]

Today our people, who have been trained and have grown stronger in the severe trials, are confidently entering the new year's campaign in high spirits.

We should bring about a new upswing in socialist construction, with the entire party, the entire state, and all the people generally mobilized in order to make this meaningful year a year of the most brilliant victory in our fatherland's history. [applause]

Our general direction in socialist construction at the present time is to establish the chuche principle more firmly in all fields—political, economic, and cultural—so that we may actively cope with the rapidly changing situation on our own initiative by vigorously launching the three revolutions—ideological, technical, cultural. When we firmly establish the chuche principle in all fields and when all the people, closely rallied around the party, perform their responsibility and role as masters of the state and society, our socialism will continue to advance victoriously even in the face of all storms and tempests. [applause]

In socialist economic construction, we must carry through the line of building an independent national economy whose soundness has been clearly substantiated in order to strengthen our country's economic might and satisfactorily solve the problem of providing the population with food, clothing, and housing in keeping with the requirements of socialism.

The most important and urgent task to be fulfilled in socialist economic construction this year is to increase the production of electricity and coal and to develop rail transport.

In the power industry, we must keep the generating equipment in good condition and reinforce it. We must make it work at full capacity to increase the production of electricity to the maximum, concentrate efforts on the construction of power stations now under way to hasten the day of their operation, and build more new hydraulic and thermal power stations. In the coal production industry, a steady output of coal must be ensured in coal mines and new coal mines be explored so as to definitely increase the output of coal.

Transport is, so to speak, production and construction. In the field of rail transport, we must further modernize the material and technical foundations of railways. We must organize transport work scrupulously so as to opportunely and fully meet the growing demands for transport in various fields of the national economy satisfactorily and in a timely manner.

This year, the leading economic officials must organize and carry out their economic work on the principle of giving definite priority to the power and coal industries and rail transport. They must ensure that materials are supplied to this sector preferentially.

The major goal for us to attain at the moment in socialist construction is to fulfill our people's long-cherished desire that all people may equally eat rice and meat soup regularly, wear silk clothes, and live in a house with a tiled roof. [applause]

In order to solve the problem of providing the population with food, clothing, and housing more satisfactorily and to steadily improve the people's living, great efforts must be continuously put into agriculture and light industry. Our party, defining this year as the year of putting greater efforts into agriculture, took positive measures for radically increasing agricultural production. [applause]

This year, we must raise the level of irrigation and electrification in the rural economy, actively promote the mechanization and the application of chemicals, and thus definitely increase agricultural production by meeting the requirements of chuche-oriented farming methods.

In light industry, we, strictly adhering to the party's line of bringing about a radical change in light industry, must produce larger quantities of fabrics and various other consumer goods of good quality to fill the shops. [applause]

This year we must also make active efforts to build modern dwellings on a large scale in Pyongyang City and other cities and in the rural villages. [applause]

It is very significant to advance socialist culture successfully in defending and developing the socialist cause at the present.

Scientists and technicians, with high revolutionary enthusiasm and creativity, must strive to fulfill the three-year plan for the development of science and technology and to move the major branches of science and technology onto a new, higher level. They must contribute a worthy share in orienting the national economy on a chuche and modern and scientific basis. [applause]

This year coincides with the 15th anniversary of the publication of the "Theses on Socialist Education." In education, we must improve the curricula and educational programs in line with the actual situation that is developing. We must raise education's qualitative level and thus make great advances in the educational work for the rising generation and in the work to train our own cadres. [applause]

The advantages of the healthy and affluent socialist cultural life of our people should be brought into fuller play by rapidly developing the revolutionary literature and arts and all fields of socialist culture. [applause]

The basic way of giving full play to the advantages of the socialist system and of pressing on with socialist construction is to strengthen the driving force behind the revolution and to constantly enhance its role. [applause]

We should ensure that the political and ideological unity of the party and the popular masses is strengthened in every way and that all the working people fully display their revolutionary enthusiasm and creativity by enhancing the leading role of the party in all fields of social life and by implementing the revolutionary mass line.

The party, state, and economic leading personnel should go deep among the masses of people as required by the Chongsanri spirit and method and the Taean work system. They should discharge their honorable mission and role as the faithful servants of the people so that they can forcefully lead the working people to worthwhile creation and great feats. [applause]

To unite more firmly and fight with redoubled efforts whenever the situation is difficult and complex is the proud revolutionary character of our people, who have come through many ordeals together with the party. [applause]

No difficulty is insurmountable nor is any fortress impregnable for us when our party leads the people with the ever-victorious chuche-orientated strategy and tactics and when all the people turn out as one under the party's leadership. [applause]

I am firmly convinced that this year, too, all our party members and the working people will fight heroically by fully displaying the revolutionary spirit of self-reliance and fortitude in hearty response to the party's call and thus become the honorable victors in socialist construction. [applause]

Last year considerable progress was also made in realizing the cause of national reunification, thanks to the unremitting struggle of our compatriots in the North and the South and abroad. [applause]

The South Korean students and patriotic-minded people from all social strata fought unyieldingly by displaying gallantry and the self-sacrificing spirit under the slogan of independence, democracy, and national reunification, even under the difficult conditions in which repression and persecution continued. The fellow countrymen abroad also made a positive contribution to developing the struggle for national reunification into a pan-national movement, aware of their honor and responsibility as members of the Korean nation. [applause]

I pay my respect to the South Korean people and the overseas compatriots who are fighting with the noble patriotic spirit, dedicating their all, so as to hasten the day of national reunification, a long-cherished desire of the 70 million compatriots. [applause]

This year marks the 20th anniversary of the publication of the 4 July North-South joint statement, whose keynote is the three principles—independence, peaceful reunification, and great national unity. The three principles are the joint reunification program of our nation, and their soundness and vitality are being proved more clearly with every passing day.

The adoption of the agreement on reconciliation, nonaggression, and cooperation and exchange between the North and the South at the end of this past year is a great victory that was won in the course of the nationwide struggle to carry into effect the three principles. It is an historic event that provides a new landmark in the way of achieving national reunification. [applause]

Along with the 4 July North-South joint statement, the North-South agreement adopted this time is the most just national reunification program that reflects our people's unanimous demand for reunifying the fatherland independently and peacefully. It is the trend of the present era, which is advancing toward independence and peace. [applause]

The North-South agreement gave all fellow countrymen aspiring for national reunification hope and confidence in it. The agreement enjoys the support and welcome from the progressive people of the world. [applause]

The North and the South should sincerely implement the North-South agreement based on the three principles for national reunification in compliance with the entire nation's desire and with the expectations of the world's people. Thus, they should expedite the national reunification at an early date. [applause]

The independent position is the basic one that should be firmly maintained in implementing the North-South agreement and in achieving the cause of national reunification.

Our nation's division was was enforced by outside forces. Our people's struggle for national reunification is none other than the struggle to end the domination of outside forces and to realize national independence.

Therefore, the independent position is a starting point in the struggle for national reunification. Without an independent position, no national reunification problem can be solved in accordance with our nation's interest and demand.

The North-South agreement could be adopted in conformity with the nation's demand because it proceeded from the principle of national independence. How great a vitality the agreement will demonstrate in opening the door of national reunification in the future depends on how the North and the South will maintain the principle of national independence. [applause]

Those who want to contribute to national reunification should thoroughly reject the idea of depending on outside forces and should take the position of national independence. They should rely on the nation's independent forces instead of on outside forces, the very ringleader of the national division. In particular, we should

actively support and encourage the patriotic people who are struggling to reunify the nation independently against the intereference of outside forces. We should no longer carry out such an act as repressing them.

The important issue, which should be resolved with priority in achieving the national reunification, is to provide preconditions for peaceful reunification. Under the condition in which the North and the South reached an agreement on nonaggression, the establishment of practical measures for ensuring peace on the Korean peninsula and for providing preconditions for peaceful reunification is of utmost importance.

The North and the South should make all efforts to realize disarmament, ease tensions, and turn the Korean peninsula into a nuclear-free peace zone in compliance with the spirit of the North-South agreement. [applause]

The issue of Korea's reunification is historically linked with international relations. Therefore, cooperation by the relevant countries [yugwangukdul] is necessary for implementing the North-South agreement.

The relevant countries should honor the spirit of the agreement adopted between the North and the South and should actively help our people so that we can resolve the issue of national reunification independently and peacefully.

Today, when the relations of confrontation between the East and West have been destroyed and our people's spirit for the peaceful reunification is being enhanced unprecedentedly, dealing with the Korean issue with the outdated outlook of the cold war era, from a position of strength, is an anachronistic way of thinking. Furthermore, applying unjust pressure on us by putting forth the issue of nuclear inspection is intolerable. [applause]

It is our consistent position to turn the Korean peninsula into a nuclear-free peace zone. We have repeatedly declared that we have neither the intention nor the ability to develop nuclear weapons and that under the condition in which fairness is ensured, we would be ready to accept nuclear inspection.

Once we say, we will do it, we will do it; and if we say we will not do it, we will not do it. We never use empty words. [applause]

Independence is life for mankind and the nation. The fact that we struggled for a long time by overcoming various trials and arduousness means that we intend to safeguard the dignity of mankind and realize the independence of the nation and the people.

Something that we should not do, we will not do, even under someone else's pressure; and we should not allow ourselves to do something we should not.

Today no one in international society has the right to infringe upon the sovereignty of another country. All countries are equal. The greater country one may be, the greater responsibility that country has for being faithful to the principle of international justice and equality. If one, being a superpower, enforces its unjust demands on other people, this is a challenge to the world's people who are defending independence, and would face a deserved counterattack and be held responsible before history for the unpredictable consequences. [applause]

The main force of national reunification is all of the Korean people. Therefore, it is a basic guarantee for national reunification to realize the great national unity.

All the Korean people should subjugate everything to the common national interest by giving top priority to it, and should attain unity based on patriotism and the spirit for national independence, transcending differences in ideologies, political views, or religion.

Compatriots from all social strata in the North, the South, and overseas, should make characteristic contributions to the cause of national reunification as members of the Korean people by offering the strength one might have, the knowledge one might have, or the money one might have, according to their own circumstances and conditions. [applause]

The responsibility of the authorities for realizing the great national unity is indeed great. The authorities should make active efforts to demolish the nation's internal barriers in compliance with the common national aspiration and expectations; to remove misunderstanding and distrust; and to develop broad dialogue, multilateral cooperation, and exchanges.

The authorities should actively contribute to expediting the national reunification by rendering all sincerity and efforts so that the North-South agreement adopted this time will be properly implemented and avoid becoming mere useless paper. Thus, they should fulfill the heavy responsibility and obligations assigned by the nation. [applause]

This year compatriots in the North, the South, and overseas should vigorously struggle by further promoting the enhanced spirit for national reunification. Thus, they should open a decisive aspect for national reunification. [applause]

It is important to correctly develop external relations to cope with present complex international situation. Despite maneuvers of the imperialists and reactionaries to reverse the advance of history, history is still developing along the road of independence.

Seeing the frustration of socialism in neighboring countries, some people rave that this is a victory of capitalism over socialism and that this means the end of socialism. However, their remarks only reveal their ignorance of the legitimacy of the development of history and are nothing but sophism proceeding from the position of supporting the outdated system.

Socialism has been frustrated, and capitalism has made a comeback in some countries. Although this is a great loss in realizing the people's independence cause, in no sense

can it be seen as negation of the justness of the socialist cause and the reactionary nature of imperialism.

It is a grave lesson taught by historic realities that when the socialist principle is not correctly embodied in socialist construction, it can never avoid being frustrated, and if it takes the path leading to the revival of capitalism, indescribable sufferings will come to the people. This in itself is a counterproof of the superiority of socialism. [applause]

Socialism is a theory that embodies the essential nature of the social beings, who want to end the exploitation of human beings by other humans, to end oppression, and to live together in independence. So, there is no question that it will gain greater pull in proportion to the advancement of history and to the rise of people's sovereignty and creativity and will triumph without fail. [applause]

On the contrary, capitalism, built on the principle of money dominating human beings, will be transformed into something more inhuman with the passage of time and will inevitably be buried by people who have opened their eyes to independence.

Instead of pessimistically viewing the process of change in the present situation, we should see it optimistically and advance more vigorously along the path leading to independence, cherishing firm conviction in socialism. [applause]

The strategic goal that the imperialists are now pursuing is to realize the imperialist dream of dominating the world after wiping out socialism completely by reviving the colonialist system. To this end, the imperialists are now clinging to the trick of military and political pressure, threats, economic bribery and subjugation, ideological corruption, division, subversion, and undermining.

In response to this, the world's peoples should unite with each other under the banner of the anti-imperialist struggle for independence and commit themselves to the struggle for building a free, peaceful new society after smashing the imperialists' policy of colonization. [applause]

We will in the future, as in the past, develop external relations based on the principle of independence, peace, and friendship. We will actively contribute to the common cause of mankind to turn the world into one governed by independence. [applause]

We will strengthen unity and solidarity with the socialist countries based on the principle of independence and in the cooperation-among-comrades spirit. We will advance and struggle shoulder to shoulder with the people of the fraternal socialist countries for victory of the socialist cause. [applause]

As a movement that opposes domination and subjugation and defends the independence of countries and people, the Nonaligned Movement still occupies a very significant place in defending the independence of nations.

We will strengthen friendship and cooperation with the nonaligned countries even further and will actively make efforts to strengthen and develop the Nonaligned Movement in a way that corresponds to the aspirations of the people of the world who are determined to build a new world governed by independence to cope with the changed situation as seen today. [applause]

At a time when the imperialists are clinging to their policy of power under the guise of peace, it is important to develop the peace movement even further. We will do our utmost in unity with all the peace-loving people of the world to check and frustrate the imperialists' aggressive, interventionist, and subversive maneuvers, to remove weapons of mass destruction, including nuclear weapons, that threaten the survival of mankind, and to defend peace and stability in Asia and in the world at large. [applause]

Our people, who are carrying out their struggle in unity as one, under the tested leadership of the party, with deep awareness of the justness of their cause, are invincible and ever-victorious. [applause]

Let us all vigorously advance and struggle toward new victory in firm unity around the party Central Committee under the banner of the chuche idea. [applause]

Kim Il-song at New Year's Party for Children

SK0101071592 Pyongyang KCNA in English 1505 GMT 31 Dec 91

[Text] Pyongyang December 31 (KCNA)—A grand celebration of Pyongyang school children on the eve of the New Year 1992 was held at the Mangyongdae School Children's Palace today in the presence of the great leader President Kim Il-song.

The palace was decorated in a festive attire.

When President Kim Il-song arrived at the palace, cheers of "hurrah" burst forth.

A school boy and a school girl made their respectful bow to him, wishing him longevity, and triplets presented him with fragrant flowers.

He saw a floral basket of kimilsungia and kimjongilia and a persimmon tree with 80 fruits which represented the loyal hearts of the school children.

He met with school children who set distinguished examples in study, art and sports activities, bringing their wisdom and talent into full bloom under the best socialist system of Korea, and higly praised them and had a picture taken with them.

He also saw the newly arranged longevity hall and wild ginseng obtained by the teachers and students of the palace.

He met with 43 groups of triplets and quadruplets studying at primary and senior middle schools across the country, expressed satisfaction with their growth as

happy and loyal children and had a picture taken with them. The New Year's celebration was attended by the members of the Presidium of the Political Bureau, members and alternate members of the Political Bureau and secretaries of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and other senior officials.

The members of the delegations and visiting groups of Chongnyon staying in the socialist homeland, overseas compatriots, and the chief of the mission of the South Korean National Democratic Front in Pyongyang were also present.

Foreign diplomatic envoys and embassy officials in Pyongyang were present on invitation.

When President Kim Il-song appeared in the box amid warm welcome from the participants, children made a deep bow of new year greetimgs to him.

A colorful program was put on the stage.

The performers well showed the happy life of school children growing as reserves of the revolution equipped with knowledge, morality and strong physique under the care of the party and the leader and their unshakable resolution to carry the revolutionary cause of chuche to accomplishment through generations under the leadership of the party.

President Kim Il-song congratulated the school children on their successful performance and had a photograph taken with them.

Kim Il-song, WPK Messages on Industrial Base

SK3112144591 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 26 Dec 91

[Text] The great leader Comrade Kim Il-song's thank-you message and the Workers Party of Korea [WPK] Central Committee's congratulatory message were delivered to workers, technicians, office workers, three revolutions team members, and volunteers who performed labor exploits in building the Hamhung District chemical industrial base.

Meetings to deliver the great leader's thank-you message and the WPK Central Committee's congratulatory message were held at Hungnam Fertilizer Complex, 8 February Vinalon Complex, the Facilities Assembling Complex, Yongsong Machinery General Bureau, Hamhung Chemical Designing Station, and in Iun County in Hamhung.

Hyon Chol-kyu, responsible secretary of the South Hamgyong provincial party committee and chairman of the People's Committee of South Hamgyong Province, and functionaries concerned participated in the meetings with employees, three revolution team members, and workers of each relevant unit.

The great leader Comrade Kim Il-song's thank-you message and the WPK Central Committee's congratulatory message were delivered while the participants warmly applauded.

The congratulatory message extended warm congratulations to workers, technicians, office workers, three revolutions team members, and volunteers who quickly finished enlarging and modernizing Hungnam fertilizer complex and the first step of building the oxygen separating site in 8 February Vinalon Complex by upholding the great leader Comrade Kim Il-song's programmatic instruction and displaying the revolutionary spirit of Paektu and the revolutionary spirit of Chollima.

The message pointed out: All workers and functionaries mobilized for the construction of Hamhung District chemical industrial base quickly finished the enormous construction, upholding the party and the leader's appeal and displaying majesty and an unyielding spirit of struggle under the militant slogan, "What the party decides, we will do." This is an excellent example of creating the speed of the nineties.

The message continued: The working class and functionaries of the facilities assembling complex launched into work on a daring scale with the courage inspired by the party. They successfully completed the enormous construction and assembling in a short time, accepting responsibility for being in charge of the construction of the large chemical base.

The working class and functionaries of the Yongsong Machinery General Bureau, which is a big plant production base, greatly contributed to successfully carrying out the overall construction by producing a lot of high-quality modern production machinery requiring extreme precision with the revolutionary spirit of self-reliance and fortitude.

The working class and functionaries of the Hungnam Fertilizer Complex and 8 February Vinalon Complex completed the assigned construction in time, accepting responsibility to keep the important sentry post of the national chemical industry. They also reformed existing processes suitabe to the complex's newly built manufacturing and technical processes and brought up many capable operators of facilities, and thus greatly supported the construction.

Designers and functionaries of Hamhung Chemical Designing Station contributed to completing construction by having the designs done in time and by responsibly guiding the construction, being deeply aware of their duty to serve in the revolution with science and technology.

The party members and workers in the city of Hamhung strongly supported the construction work with labor and materials with a single mind to brilliantly implement the party's plan and intention. The people in Iun County highly encouraged the builders by collecting a large

amount of silica, which is essential to construction, through the mass movement and sent it to the builders.

The congratulatory message emphasized that it highly assessed the labor exploits performed by the working class, workers, and three revolutions team members who greatly contributed to making Hamhung District chemical industrial base a magnificent monumental creation of the Workers Party era through the heroic struggle with the boundless faithfulness to the party and the leader.

The congratulatory message expressed a firm belief that workers, technicians, office workers, and three revolutions team members participating in construction of Hamhung District chemical industrial base will continue to uphold the party's leadership and achieve greater results in production and construction under the uplifted banner of the three revolutions—ideological, technological, and cultural—to brilliantly repay the party's great trust and expectation.

Debates were held at the meetings to express their resolve. The debaters pointed out that it was totally the result of the great leader and our party's wise leadership that enlarging and modernizing Hungnam Fertilizer Complex and the first step of building oxygen separating site in 8 February Vinalon Complex were completed in so short a time.

They emphasized that they will make a remarkable turning point in production and construction, upholding the teaching given by the great leader during his on-the-spot guidance for South Hamgyong Province and the task presented in the WPK Central Committee's congratulatory message.

Workers and functionaries of Hungnam Fertilizer Complex and 8 February Vinalon Complex said that they should increase chemical products such as chemical fertilizer and vinalon by fully utilizing the newly built modern producing processes.

They pointed out that workers, technicians, and office workers of the Facilities Assembling Complex, Yongsong Machinery General Bureau, and Hamhung Chemical Designing Station should struggle more vigorously to fulfill future tasks for the construction of important objects in time and of high quality. They also pointed out that the party members and workers in South Hamgyong Province, including the city of Hamhung and Iun County, should continue to make innovations in implementing the revolutionary task assigned.

The debaters stressed the obligations of the whole working class, workers, and three revolutions team members to prepare themselves with our party's chuche idea and spirit of putting the Korean people above all and to thoroughly implement the party line and policy.

Letters of promise were adopted at the meetings.

Kim Il-song Sends Greetings to King of Nepal

SK2712092291 Pyongyang KCNA in English 0846 GMT 27 Dec 91

[Text] Pyongyang December 27 (KCNA)—President Kim Il-song of the Democratic Peoples Republic of Korea sent a message of greetings today to Birendra Bir Bikram Shah Dev, King of Nepal, on the occasion of his birthday.

President Kim Il-song in his message sincerely wished the king and people of Nepal greater success in the work for the prosperity of the country and the king good health and happiness and expressed the belief that the friendly and cooperative relations between the two countries would grow stronger and develop.

Workers Party Delegation Leaves for India

SK2812112191 Pyongyang KCNA in English 1037 GMT 28 Dec 91

[Text] Pyongyang December 28 (KCNA)—A delegation of the Workers' Party of Korea [WPK] led by Choe Tae-pok, alternate member of the Political Bureau and secretary of the party Central Committee, left here today to attend the 14th Congress of the Communist Party of India (Marxist).

The delegation was seen off at the airport by Kim Yang-kon, deputy director of a department of the WPK Central Committee, Indian and Chinese ambassadors to Korea.

South Korea

'Official' on Proposed N-S Summit Talks in Mar

SK0101132792 Seoul KBS-1 Television Network in Korean 1200 GMT 1 Jan 92

[Text] President No Tae-u and North Korean President Kim Il-song will meet face-to-face soon. The North and the South agreed in Seoul last month to hold North-South summit talks in Kaesong this March.

Through a behind-the-scenes contact during the fifth round of North-South high-level talks, the North and the South agreed to hold North-South summit talks between President No Tae-u and North Korean President Kim Il-song immediately after the validation of the North-South agreement. The venue for the talks will be neither Seoul nor Pyongyang but a third place, according to a high-ranking government official.

According to this government official, Kaesong, located in the central part of the Korean peninsula, has been tentatively set as the venue for the talks, and preparations are underway in the North and the South for it. As for the date of the summit talks, the official said that approximately two weeks will be necessary after the North-South agreement is validated at the sixth round of North-South high-level talks, to be held in Pyongyang in

February, following North Korea's ratification of the nuclear safeguards accord this month, thereby hinting that the summit talks will be held early this March.

Accordingly, the government, particularly Chongwadae, the National Unification Board, the Ministry of Foreign Affairs, and the Ministry of National Defense, is reviewing the measures for alleviating tensions between the North and the South to be discussed at the summit talks. The Economic Planning Board and other economic ministries and institutions are studying specific aspects of North- South economic cooperation.

Another government official said that the North-South summit talks will discuss intensively the creation of an environment for peaceful coexistence between the North and the South, such as a practical disarmament plan on the Korean peninsula, and provide a basis for a full-fledged operation of the three joint committees, such as the political, military, and exchange and cooperation joint committees, which are to be formed pursuant to the validation of the North-South agreement. The official said that, because it is important for North Korea to return to the international community so that the summit talks can lead to peaceful coexistence between North and South Korea, the top leaders of the two sides will have an in-depth exchange of views on this subject.

South-North Joint Denuclearization Declaration

SK0101053992 Seoul THE KOREA TIMES in English 1 Jan 92 p 1

[South-North Joint Delcaration for a Nuclear-Free Korean Peninsula, initialed at the third round of North-South delegates' contacts in Tongilgak, Panmunjom on 31 Dec]

[Text] Pledging to remove the danger of a nuclear war, to create conditions and circumstances favorable to peaceful unification of our country and to further contribute toward peace and security in Asia and the world by denuclearizing the Korean peninsula, the South and the North declare as follows:

1. The South and the North will not test, manufacture, produce, introduce, possess, store, deploy or use nuclear weapons.

2. The South and the North will use nuclear energy solely for peaceful purposes.

3. The South and the North will not possess nuclear reprocessing and uranium enrichment facilities.

4. The South and the North, in order to verify the denunclearization of the Korean peninsula, will conduct inspections of the facilities as chosen by the other side in accordance with procedures and means to be provided by the Joint South-North Nuclear Control Committee.

5. The South and the North, in order to implement the joint declaration, will form and operate the Joint South-North Nuclear Control Committee within one month after the joint declaration takes effect.

This joint declaration will take effect from the day when the South and the North exchange documents after going through the necessary formalities for their effectuation.

Yi Sang-ok on Foreign, Diplomatic Policy for 1992

SK0201091792 Seoul YONHAP in English 0857 GMT 2 Jan 92

[Text] Seoul, Jan. 2 (YONHAP)—South Korean Foreign Minister Yi Sang-ok said Thursday his government would accelerate its efforts to establish diplomatic relations with China and three Indochinese countries this year.

Yi said the two Koreas' efforts to improve bilateral relations would help speed up the process of normalization between South Korea and China, adding, "I think our relations with China would be fully normalized in the not too distant future."

The minister said the government would strengthen its efforts for diplomatic relations with Vietnam, Laos and Cambodia as well, taking advantage of a favorable international climate created by the peace settlement in Cambodia.

Yi said his ministry would place major emphases of the new year's diplomatic policy on efforts to open an era of peace and cooperation in the Korean peninsula, to enlarge its role in the international diplomatic arena as a member of the United Nations, and to strengthen its participation in the regional cooperation in Asia and the Pacific.

The government, Yi added, would keep up its endeavor to foster an international climate conducive to advancing the settlement of peace in the Korean peninsula and peaceful reunification with North Korea.

Touching on inter-Korean nuclear issues, the foreign minister said that he saw there would be no need to bring the matter to the U.N. Security Council.

"We are attaching a good deal of importance to the positive attitudes North Korea has recently shown with regard to nuclear issues. We will do our best to solve this problem between the two Koreas," he explained.

He was referring to the Dec. 31 initialing by the two Koreas of a "joint declaration on the nuclear-free Korean peninsula."

On South Korea's ties with traditional allies, Minister Yi said his government would step up its efforts to expand cooperative relations with the United States and other allies because "a strong security situation remains an essential factor behind our effort to solve the Korean problems."

Meanwhile, a source at the Foreign Ministry said the government would try to normalize relations with China in the first half of this year. He observed that the breakthrough on Dec. 31 in the inter-Korean nuclear talks would have a favorable effect on the relations between South Korea and China.

Minister Yi, the source said, is expected to sound out Qian Qichen about an idea of holding a four-party consultation, among South and North Korea, China and the United States, for settling a peace regime in the Korean peninsula when he meets the Chinese foreign minister during the 48th general meeting of the U.N. Economic and Social Commission for Asia the Pacific (ESCAP) in Beijing in April.

Pressing Economic Problems for 1992 Examined

SK3112030091 Seoul THE KOREA TIMES in English 31 Dec p 8

[The "News in Review" column by deputy economics editor Pak Chang-sok]

[Text] Korea sees the New Year in with untold fear of foreign economic aid, as a result of which its economy could go from bad to worse. By all accounts, there is seemingly not enough time for negotiations. All that is possible at this time is the announcing of choice.

Realities loom on the horizon that will force the Korean market to open wider. The stock market is set to open to direct foreign investment from Jan. 3 next year, an event which is seen as a major upheaval in the Korean capital market and which could rock the already-skittish economy. Another concern is that Korea, along with 107 other GATT member countries has to give a yes or no answer by Jan. 13 to a final draft accord, presented by the secretariat of the General Agreement on Tariffs and Trade (GATT).

An immediate woe facing Korea is U.S. President George Bush's Seoul visit scheduled for Jan. 5-7, which by all indications will be certainly different in nature from his previous visit and his predecessors' trips.

The main purpose of Bush's trip can be easily read from the makeup of the groups of officials accompanying him on his Asian visit which will also take him to Japan, Singapore, and Australia. Marking this trip different is the accompaniment of 13 powerful American business executives including top managers of three leading American automakers, Ford, General Motors and Chrysler. Observers say it is the first time that a large group of American businessmen are accompanying the U.S. president on an overseas visit.

With a close look at the retinue composition, Bush's meetings with Asian leaders will no doubt focus on narrow but substantial economic issues rather than broader diplomatic concerns.

It is undeniable that the character of the American president's Asian trip is being altered by the stumbling U.S. economy and Bush's subsequent dismal political standing, as seen in the recent polls, ahead of the presidential election scheduled for next November. The U.S. economy, troubled by a recession that refuses to go away, has been sliding into tougher times, as seen in the massive layoffs of workers at General Motors and International Business Machines (IBM).

The American economy is important not only for the U.S. itself but for the world economy in view of its far-reaching effects upon the global economy. Few deny that the American economy is now in a difficult state. But the problem is the mistaken understanding of Korea's economy by foreigners.

Korea is not a developed country, merely a country trying to join the column of industrialized nations, with its per capita income hovering at slightly over 6,000 U.S. dollars. In particular, Korea's technology and industrial structure is far from that of the advanced nations, although it is listed as the 13th largest trading country.

Nonetheless, Korea seems to be a country confronting the most terrible market-opening pressure. Why? This is entirely due to the hyping of the Korean economy by government leaders aiming at political gains and the ostentatious behavior of consumption-minded Koreans. It is true that the Korean economy has been mistakenly inflated in the foreigners' eyes, and some are trying to treat it as a developed country.

Korea still enjoys a high growth of nearly 10 percent. But the quality of growth is bad as it is being led by domestic consumption and the speculative construction business. In substance, the Korean economy is now in its worst state in a decade as inflation is running away out of control toward 10 percent, the trade deficit is snowballing to top 10 billion U.S. dollars, and the stock market is on the point of collapse. It is nonsense for the U.S. to treat Korea in the same way as Japan in the course of trade talks. In a word, Korea is a deficit country and Japan is a huge surplus country. Japan's current account surplus soared 330 percent from a year earlier to 7.26 billion dollars in November.

It is particularly worthy of note that Korea's trade balance with the United States deteriorated from years' surpluses to a deficit of 716 million dollars during the first 11 months of this year. This is in sharp contrast to the steady surpluses Korea's rival traders Japan, China and the Republic of China enjoy with the United States. American officials still believe that as many as 40 economic issues should be tabled for discussion during Bush's Seoul trip. In view of current world trends, the market opening seems to be inevitable, for which all economy-related rules need to be transparent to match international standards. it is not wise to cause unnecessary friction with trading partners due to the vagueness of regulations.

All told, Bush's Seoul trip may hopefully become a good chance for Bush and American businessmen to achieve a correct understanding of the Korean economic plight. Locked in an uphill battle to combat the slumping economy, Bush told a recent press conference that his aides had mistakes in executing economic programs. A similar humble admission of economic failure is also in order for President No Tae-u. It is a pity that there are still many aides around No supplying sugar-coated remarks to him, so he still holds an upbeat view of the economy.

Korea Telecom, U.S. Firm Sign Satellite Accord

SK0101062592 Seoul THE KOREA TIMES in English 1 Jan 92 p 3

[Text] Korea Telecom and General Electric Technical Services Company Inc. signed a contract in Seoul yesterday for the supply of the nation's first communications satellite to be launched in 1995.

GE Astrospace which teamed up with Goldstar was picked as a prime contractor Nov. 30 and the two companies had since engaged in contract negotiations.

The contract deposit is divided into 117.064 million dollars for two satellites, 6.436 million dollars for the launch support services and 21.6 million dollars for ground control facilities.

Korea Telecom received consulting services from several foreign and domestic institutions including Comsat, the Korea Aerospace Research Institute and the Electronics and Telecommunications Research Institute during the month-long negotiation period.

The spokesman said that Korea Telecom had taken every possible measure to guarantee the successful manufacturing of the satellites.

If the prime contractor fails to manufacture the satellites on time, a penalty amounting to 5 percent of the contract deposit will be imposed, he said.

The spokesman said that the formal signing will take place between the presidents of the two companies this month.

Meanwhile, Korea Telecom issued a notice for the bidding on the launch vehicle services last Saturday and the bidding will take place Feb. 20. The contract for launch vehicle services will be signed April 30.

Foreign aerospace companies vying to win the launch service contract include McDonnel Douglas (Delta), General Dynamics (Atlas), Martin Marietta Corporation (Titan) from the United States, Arianespace from France, Great Wall Industry Corp (Long March) from China and Glavkosmos from the Soviet Union.

Minister on Reducing Trade Deficit With Japan

SK3112032291 Seoul THE KOREA TIMES in English 31 Dec p 1

[By reporter Choe Won-suk; from untitled supplement]

[Text] Trade-Industry Minister Han Pong-su is obsessed with how to cope with the nation's growing trade deficit like his predecessor Yi Pong-so.

He said, "The reduction of the trade shortfall is the major issue which the nation must tackle first. So I will do my best to realize it and at the same time avoid friction with our trading partners."

In an interview with The Korea Times, Han, 64, a native of Kunpo, Kyonggi-to, said that the first thing to do to cut trade losses is to rectify the chronic trade imbalance between Korea and Japan in favor of the latter.

He emphasized, "We should thoroughly understand the structure of the Japanese distribution system before we make deep inroads into its market.

Recalling his experience as president of the Korea Trade Promotion Corporation, he said that Japan is quite different from other countries in the undertaking of trade.

To improve the trade imbalance with Japan, he disclosed that the ministry will carry out appropriate steps through consultations with domestic business concerns which are successfully operating in Japan.

His appointment as trade-industry minister at the time of the ever-rising deficit is credited to his expertise in international economic affairs.

A graduate of the Law College of Seoul National University in 1956, Han is a career economic technocrat who has held a number of key posts including chairmanship of the Economic Planning Board's Fair Trade Commission and that of the Korean Commercial Arbitration Board.

He also completed postgraduate studies at the Maxwell School of Syracuse University in New York. Han also has a good command of English.

His geniality and magnanimity have helped him befriend a large number of important figures both at home and abroad as well as win the confidence of his subordinates.

As for other steps which he will take to cut trade deficits, Han said that export financing loans will again be supplied to large enterprises not affiliated with business groups in addition to small and medium companies.

The supply of various funds to business concerns will be expanded to help them purchase locally-manufactured machinery, while reducing special foreign exchange loans for the purchase of foreign-made machines.

Soaring import bills for machinery, especially Japanese products, have been the main culprit for the widening trade shortfall since last year.

This year, the nation's trade deficit is expected to reach more than $10 billion on a customs clearance basis, the largest ever.

The trade situation will further deteriorate next year as business concerns will be faced with more financial difficulties because of four large elections including the presidential and Assembly polls.

Many economic experts predicted that the trade loss next year would climb to more than $15 billion although the government is determined to contain it within this year's level.

These days, business circles are pervaded with pessimism as they are of the opinion that it will be impossible for the nation to show a trade surplus within this decade.

The nation briefly enjoyed trade surpluses between 1986 and 89 for the first time in its trade history.

Han said that it will be impossible to dramatically expand exports next year.

However, he said, "If we exert all available efforts, exports will not aggravate more than now."

He emphasized that the only way to reduce trade deficits depends on the outcome of imports.

He acknowledged that the government can not intervene in imports as in the past because it may trigger new trade friction with the United States, the 12-member European Community and other advanced countries.

Noting that business concerns are engaged in imports, he called upon them to be more considerate in their imports by taking account of the nation's worsening economy.

In particular, he asked enterprises to do away with imports of luxurious consumer products in keeping pace with the ongoing austerity campaign voluntarily launched by civic organizations.

He stressed, "The international competitiveness of manufacturing should be enhanced most of all to facilitate exports of Korean-made products."

He attributed the aggravation of the international competitiveness of the manufacturing industry to difficulties in the establishment of new ventures, lack of industrial sites and heavy interest burdens on enterprises.

He said that such problems should be settled through joint efforts between the government, management and labor.

Specifically, he said that the government should implement policies to help management and labor combine their efforts for the development of their companies.

He showed his deep apprehension over the recent social atmosphere of underestimating entrepreneurs as a whole following a dispute between Hyundai Group founder Chong Chu-yong and the government.

He said, "The majority of businessmen are doing well. Because of some businessmen who are misbehaving, it is wrong to criticize all of them."

He promised that he will endeavor to calm down such a negative atmosphere so that businessmen will carry out their work in earnest with a strong determination to invigorate the nation's economy.

In the meantime, he said that there will be no drastic change in the ministry's hitherto trade policy despite the growing trade shortfall.

He said that he will endeavor to contain next year's trade deficit below $10 billion.

As to the Uruguay Round of multilateral trade negotiations, he said that the 108 countries taking part in the talks should balance their interests to create a freer trade order based on the principles set by the General Agreement on Tariffs and Trade (GATT).

He also said that the liberalization of markets, the major topic in the Uruguay Round negotiations, should be made on a gradual basis to avoid the collapse of specific industries in certain countries.

Han maintained that it is urgent for the nation to have its interests such as the protection of the rice market reflected in the multilateral trade talks.

He finally said that his ministry will step up its efforts to help business concerns explore new markets, especially those in the socialist world and developing countries.

'Private' Trade Group 'Well Received' in Vietnam

SK2812060491 Seoul YONHAP in English 0453 GMT 28 Dec 91

[Text] Seoul, Dec. 28 (YONHAP)—An increasing number of South Korean firms are making inroads into Vietnam for joint ventures and trading, and are well received in the country despite the absence of diplomatic relations, the Korea Trade Promotion Corp. (Kotra) said Saturday.

A 28-member Korean economic delegation representing 23 big and small companies visited Vietnam Nov. 30-Dec. 8 and 14 of the firms contacted Vietnamese business leaders about joint investment and exports, the Kotra said.

Cheil Synthetic Fibers Co. Ltd. signed a contract to export 119,000 U.S. dollars worth of textile yarn, and Oriental Corp., Shincho Trading Co. Ltd. and several others held talks with Vietnamese businessmen on over 10 million dollars of projects.

The Korea Chamber of Commerce and Industry and its Vietnamese counterpart agreed to open offices in each other's capital.

Hyundai Corp. earned a positive response from a Vietnamese firm for its plan to grow tapioca in Vietnam and bring in ethyl alcohol extracted from tapioca for use at four distillers.

Goldstar Information and Communication Co. exchanged a note of intention for the sale of Time Division Exchange (TDX), modern digital switching equipment, and their assembly with a Vietnamese company.

"Our delegation was a private group, yet we were treated very warmly by the Vietnamese deputy prime minister and minister for light industry. I got the impression that the Vietnamese Government was looking for a model for its economic development in Korea," a business executive said.

Samsung Co. did not join the delegation but was positively considering a Vietnamese Government request to participate in its construction of infrastructure, Kotra officials said.

The officials, saying the U.S. ban on trade with Vietnam was likely to be lifted shortly, said Korean firms should make greater efforts to advance into the country and take advantage of its cheap labor and rich natural resources.

Particularly promising are agro-fisheries processing, exploitation of oil and mineral resources, construction of highways, port and communication facilities, tourism and distribution industries, export of plants and raw materials, and on-the-spot production of textile goods, stuffed toys, electronic and machinery items, the officials said.

Ministry Revamps Harmful Substance Import Rules

SK3112034491 Seoul THE KOREA ECONOMIC WEEKLY in English 1 Jan 92 p 3

[Text] Effective from 1992, the import of ozone-layer destroying materials such as freon gas and halogen gas will be subject to prior approval of the Trade-Industry Ministry.

Those firms and individuals intending to import freon gas and halogen gas will be required to file with the ministry an import application for the new year by September 30 every year, denoting the kinds of items and import quantity, sources at the ministry said.

At the same time, those firms and individuals intending to sell such items at home also are required to file with the ministry a sales application for the new year by September 30 every year.

Those firms and individuals intending to produce such materials are required to file with the ministry three months in advance an application for approval to produce the items, they said.

When producers want to receive prior approval for their annual production quantity, they will be required to file with the ministry an application by September 30 every year, the sources said.

Guidelines Announced To Curb Election Expenses

SK2912012991 Seoul THE KOREA HERALD in English 29 Dec 91 pp 2, 3

[By staff reporter Choe Sang-hun]

[Text] The election watchdog has come up with a set of tough campaign guidelines for the coming parliamentary elections, although it is yet to be seen whether they will be strictly honored by runners.

For instance, candidates will have to pay their campaign workers less than they would have in the last parliamentary elections, despite high inflation in recent years.

They are required to make public their campaign expenses, and their donations to social organizations during the campaign period are strictly limited under the guidelines announced by the Central Election Management Committee [CEMC] yesterday.

The committee had tried to draw the strictest possible guidelines within the framework of the newly revised National Assembly Election Law, a spokesman said.

He said the guidelines reflected criticisms that the revised law would still be ineffective in preventing a cash-driven corrupt campaign. Earlier this month, the rival parties enacted a revision of the law which featured a creation of 13 additional electoral districts, among other things.

The CEMC regulations require the campaign manager of every candidate to report all campaign costs to the CEMC, which later will publicize them. It will be the first time that the CEMC has made the campaign expenses open to the public.

Each candidate will be allowed to pay a campaign worker only about 10,000 won ($13) per day for food, travel and other expenses. The spokesman said the CEMC will exhort candidates to mobilize more volunteer workers.

In comparison, during the 1988 parliamentary elections, candidates could pay a daily allowance of 30,000-40,000 won to an election campaigner officially.

Financial contributions by candidates are restricted to charities and alms. They can pay for the food of those attending the party officials' meetings and party badges for party members, according to the regulations.

During next year's parliamentary elections expected in March, candidates will be allowed to spend an average of

100 million won, according to a CEMC official. But campaign managers say the money will barely cover the basic costs of campaigning.

Campaign expenses are, in theory, controlled and candidates should report to the CEMC how much they have spent. But it is generally agreed that no one can win the election without spending much more than the legal limit and no candidate would report spending more than legally allowed.

With the nation expected to have a string of elections next year, concern has been growing about the possible damage on the sluggish economy by the release of huge campaign funds.

"It is not a matter of how strict the laws are, but rather a matter of how faithfully the candidates and voters abide by the laws," The CEMC official said.

Most candidates are expected to spend some 1 billion won each in the legislative elections.

The CEMC guidelines also restricted campaign advertising broadcasts to 300 words on the radio and 100 words on television.

Any falsification of the education and biographical backgrounds of a candidate will be strictly dealt with.

In a related development, the CEMC said yesterday that it is illegal for candidates to put up banners announcing lectures and civil campaigns they plan to sponsor. Even if such banners are used before the elections, the CEMC said, it will be considered as premature campaign activities, especially when the elections are imminent.

The banners for "celebration and civil enlightment" can be posted on party premises, the election watchdog said.

It banned candidates from establishing private educational centers which offer free classes for housewives and others when the elections are expected in the near future.

Court Reverses Senior Police Officers' Acquittal

SK2812015991 Seoul YONHAP in English 0140 GMT 28 Dec 91

[Text] Seoul, Dec. 28 (YONHAP)—The Supreme Court reversed Friday the Seoul Appellate Court's acquittal of four former senior police officers, including Kang Min-chang, former director of the National Police Headquarters, charged in connection with a university student's death in January 1987.

The court said Kang didn't follow proper procedure and had tried to cover up the death when he realized Pak Chong-chol, had been tortured to death during questioning.

"It can't be said that Kang overused his official power, but he certainly neglected his duty," Justice Pak Man-ho said in the ruling.

They said the three other defendants—Pak Cho-won, Yu Chong- pang, and Pak Won-taek—were responsible for helping the torturers escape. The three, senior officers of the then national police headquarters were fired along with Kang following the torture case.

Kang and the three were sentenced to eight months in prison suspended for two years and one and a half years suspended for three years, respectively by the lower court, but were acquitted on appeal.

Police To Protect Rights of Suspected Criminals

SK0101063792 Seoul THE KOREA TIMES in English 1 Jan 92 p 3

[Text] Police will assign district police bureaus officers responsible for the protection of criminal suspects, starting today.

The National Police Administration [NPA] said yesterday that investigation sections chiefs will work for the protection of the human rights to help do away with partial probing and harsh treatment in the course of investigating suspects.

A ranking NPA officer explained that it decided to introduce the human rights protection system in its efforts to keep pace with the on-going democratic reforms.

The NPA said that the officers would give to criminal suspects consultations on human rights, criminal laws and procedures.

They will also supervise operation of police detention cells which are not infrequently denounced for harsh treatment of suspected persons.

Burma

Correspondent Discusses Saw Maung's Nonappearance

BK2012105791 London BBC in Burmese to Burma 1345 GMT 19 Dec 91

[Article by BBC correspondent Nick Nugent from the "Current World Affairs" program]

[Text] The only newspaper in Burma—published in Burmese as the LOKTHA PYEITHU NEZIN and published in English as the WORKING PEOPLE's DAILY—remains a main source of information on developments there. Analysts have closely scrutinized the pictures carried by the LOKTHA PYEITHU NEZIN to ferret out political signs to see who is in favor and who is in disgrace.

The newspaper usually pictures on its front page the activities of Senior General Saw Maung, who has been the country's military dictator since September 1988, such as pictures of him delivering speeches at some meetings and receiving foreign dignitaries. The last foreign visitor he received at the end of November was the Bangladesh foreign minister. One week after he was unable to receive the visiting Philippine foreign minister, there was speculation about his health. The speculation led the newspaper to carry a picture of him in good health greeting graduates of the Academy of Music [11 December].

Another point analysts note is that since the end of October the newspapers have been carrying only pictures of Sr. Gen. Saw Maung routinely greeting foreign leaders and have not been carrying his major speeches. One interpretation of this point is that some members of the SLORC [State Law and Order Restoration Council] wish to dump Sr. Gen. Saw Maung and that Sr. Gen. Saw Maung may have suffered from a mental disorder as he came under emotional pressure from the power struggle. It is also possible that speculation about his health is part of the power struggle.

It can be asked to what extent Sr. Gen. Saw Maung can effectively give instructions on policy matters. It is believed that U Ne Win, who had been powerful, is still controlling from behind. Although he has not appeared in public very much, U Ne Win, who is over 80, is reported to be in good health.

Another person with growing influence is Major General Khin Nyunt, head of the military intelligence organization. His speeches are carried frequently by the newspapers. Another school of thought is that now is not the time for a power struggle, but rather a time of concern for the Burmese military leaders who may realize that the time has come for them to give up power and that it is widely accepted that they will be removed soon and that their era will soon end.

Although this speculation cannot be verified, there is no doubt that the military leaders were greatly flustered and disturbed by the mid-October announcement on conferring the Nobel Peace Prize on the detained leader, Daw Aung San Suu Kyi, and the presentation of the award last week.

Rangoon radio last week announced that Daw Aung San Suu Kyi had been expelled from the party she led. This step is interpreted by most people as a desperate and impulsive action by a segment of the military leadership that has come under increasing pressure from international criticism of the continued detention of Aung San Suu Kyi.

301 NLD Deputies Sign 'Exile Group' Statement

BK0101143492 Rangoon Radio Burma in Burmese 1330 GMT 1 Jan 92

[Announcement No. 994 of the Commission for Multiparty Democratic General Elections of the Union of Myanmar [Burma], dated 1 January 1992]

[Text] Subject: Notice to the public regarding statements signed by the elected representatives of the National League for Democracy [NLD] that they have neither in the past, nor in the present, supported the exile group headed by Sein Win.

1. The commission had already announced and had put on record statements signed by 292 elected representatives of the NLD stating that they—members of a legally formed organization—neither did, nor do they now, support the exile group headed by Sein Win who teamed up with the insurgents KNU [Karen National Union] to illegally form the so-called National Coalition Government of the Union of Burma abroad.

2. The commission hereby puts on record that nine more elected representatives of the NLD have signed the statements to the same effect as above.

3. The names of the list of nine representatives will be carried by tomorrow's newspapers.

4. As of today, a total of 301 elected representatives of the NLD have signed statements that they neither did, nor they do now, support the exile group led by Sein Win. The commission hereby announces that the public will be notified of the statements it receives from the remaining elected representatives of the NLD.

By the authority vested in me.
Signed: Aye Maung, secretary

Ministry Announces Russian Republic Recognition

BK3112144291 Rangoon Radio Burma in Burmese 1330 GMT 31 Dec 91

[Text] The Ministry of Foreign Affairs has issued a press release. It states that the Union of Myanmar [Burma] has learned that the Russian Republic has assumed the international rights and responsibilities of the former Union of Soviet Socialist Republics at the United

Nations. Therefore, the State Law and Order Restoration Council hereby announces it will continue to strive to promote the existing bilateral relations based on the five principles of peaceful coexistence.

The government and the people of Myanmar hope to further develop relations with the Russian Republic and the Russian people.

Brunei, Malaysia & Singapore

Malaysia

Prime Minister Mahathir's New Year's Message

BK0101095992 Kuala Lumpur Radio Malaysia Network in Malay 1245 GMT 31 Dec 91

[New Year's Eve address to the nation by Prime Minister Datuk Sri Dr. Mahathir Mohamed—live or recorded]

[Text] Peace be unto you! We are grateful to Almighty God for granting us the opportunity to usher in the New Year in a peaceful and stable situation. For Malaysia, the year 1991 has ended with no untoward or tragic incidents. The peace and comfort that we are currently savoring is the result of the country's socio-political stability and because the people are not extremists. The security forces have carried out their duties with full responsibility. It is not easy for a country with a multiracial population to thrive with harmony and solidarity. But we have proved our capability to do so.

The world has presently acknowledged that Malaysia has been able and successful in fostering and maintaining good relations among the different races in the country. One of our successes was due to Malaysians showing their respect and honor for peace and stability and as a contentment that should be safeguarded. As such, we had stemmed racial sentiments as well as nurtured a tolerant attitude in connection with one another's lifestyles. There were no reported incidents of efforts being undertaken by anyone to impose one group's traditional lifestyle onto another. The country's official religion is Islam, and in line with the religion, there has been no use of force. Freedom of worship is guaranteed by the Constitution.

Ladies and gentlemen! All along the year 1991, several important issues were introduced. Among them were Vision 2020, the National Development Policy, or NDP, and the Sixth Malaysia Plan. All this is aimed at a single target directed toward benefitting the people. Vision 2020 is aimed at elevating the country at par with the other developed nations. This does not mean that we would be facing moral deterioration or become power-crazed like some developed nations. What we aim for is a deeper acquisition of knowledge and dexterity so that we could stand even with or even higher than the developed nations. Our objective is to constantly maintain a balanced materialistic and spiritual development while retaining positive values. This would free us from being totally dependent on the developed nations' knowledge, capability and wealth. In this era, if we continuously remain ignorant in knowledge and skill, we would easily lose our freedom and we would be compelled to bow to foreign powers.

Ladies and gentlemen, it is easy to come up with a vision or an aspiration. Anyone could think of a great vision. But in trying to achieve the ultimate goals of such aspirations or visions, we have to undergo and persevere through numerous challenges. Therefore, the most important question that arises is whether Malaysia and its multiracial society are willing to continuously develop the country within a 30-year period in its effort to achieve the vision of being a developed nation. The answer could be acquired from our own record—all along our 34 years of being an independent nation. In 1957, the 6 million people of the then Federation of Malaya had a per capita income of only 775 ringgit. After the country achieved independence 34 years ago, the population has increased to 18 million and the per capita income has risen to 6,781 ringgit. This indicated that there has been a nine-fold increase in the per capita income. Population increase could cause a decrease in the per capita income. But we were successful in increasing the per capita income. Therefore, it is clear that all along the 34 years we were successful in increasing the per capita income which could be considered as a yardstick for development—the increase in per capita income has been nine-fold.

In achieving the goal of the Vision 2020, we need another eight-fold increase in the per capita income within a 30-year period. If we take our record as a guiding light, then our achievement of the ultimate objective will not be impossible. But this does not mean that with only our present efforts we could achieve our Vision 2020 target. There are other numerous governing factors that would determine our performance—including our marketing potential, internal and external politics, diversified knowledge, challenges in the international markets and sanctions imposed by the developed nations. Development cannot be achieved by itself. Policies and relentless efforts are needed. Thus, it is of the utmost importance that we embark on practices which could guarantee our success. Success depends on each group's individual attitudes and capabilities. If they are lazy, dishonest, indisciplined, and unethical they will definitely fail. Therefore, there were backward nations which became progressive and vice versa. If we make a careful scrutiny, the success or failure of a nation depends on the values and ethics it practises. A progressive and developed nation could become a backward one if it discards the good ethics it practiced.

Thus, Malaysia, which has been accepted as a developing nation, could achieve the status of a developed nation if we are willing to practice good work ethics and honorable attitudes. Good work ethics, national security, and stability can guarantee the success of a nation. A nation or society will only be secured and stable if its society has moderate attitudes. We should be aware that in any

society no one is able to fully realize one's complete desires. Even within a one-race nation there is bound to be dissatisfaction among the people. Thus, a misunderstanding would arise—more so with a multiracial society such as Malaysia's. If there is a rational, responsible, and considerate attitude, then differences of opinion would not bring about racial turmoil. On the other hand, there would be a give-and-take attitude. This would pave the way for a peaceful situation in the country. Malaysians have such an attitude and this should be further nurtured so that the much needed peace and stability for national development would be continuous. Along with this, we could avoid any threats of racial turmoil. This is better than controlling racial disturbances when it actually happens.

Ladies and gentlemen, thirty years is not a long period but many of us will not be around by the year 2020. As such, what was been planned is for the younger generation. But this does not mean that those who might not savor the success of the year 2020 should not work hard toward achieving this goal. One of the most honorable attitudes is to be unselfish, but on the other hand, to place the importance of the people's and nation's future first. Therefore, we would savor numerous pleasures in the process of achieving the objective of Vision 2020.

God willing, the younger generation would definitely enjoy the fruits of success which had been planned. But they should remember that they must be ready to continue to develop the nation even after Vision 2020 goal has been achieved. An honest and honorable attitude should be part and parcel of their lives. God willing, if such attitudes are deeply implanted in their minds and souls, the success achieved would be an everlasting one.

The government will play its real role in its effort toward making the country more progressive. Nonetheless, the government's responsibilities are countless. The government only embarks on issues that are feasible. Assuredly, in the process of democracy if there should be a change of government, then achieving the goal of Vision 2020 is not guaranteed. The current government acknowledges criticisms and is willing to act upon constructive opinions in its efforts to make Vision 2020 a success. In truth, what is being undertaken by the government is the result of its willingness to form decisions based on proposals within and outside the government. It is then clear that the government's openness attitude would bring benefit because the public agrees that Malaysia is developing more rapidly than other nations. The government's open-minded attitude will continue but it will also not shy away from its responsibility in maintaining national stability and security.

Foreigners should not determine what is good or bad for this country. Only Malaysians themselves have the right and they can voice their opinions in a disciplined manner—particularly through the general elections process as laid down in the Constitution.

We need efforts in planning and executing our actions. Man has been bestowed with a useful brain and energy. He should not wait for things to come his way. Man should fully utilize his senses that Providence has bestowed upon him. When all efforts have failed, only then we can declare that such a thing was the result of fate. This is what the government is doing. Any attempts to keep Muslims away from the process of development toward Vision 2020 because of the assumption that the vision is primarily based on materialism are attempts to keep Muslims backward and (?weak), as the enemies of Muslims so desire. It is no exaggeration to say that they are consciously or unconsciously colluding with the enemies of Muslims. This would be even worse if they themselves are enjoying the fruits of developmeat of which they are critical. In fact, Vision 2020 is designed to strike a balance between material and spritual development as advocated by Islam. If the capabilities and living standards of Muslims in Malaysia in 2020 are still at the present level, it is feared that their [words indistinct] will be undermined. It should be remembered that poverty is almost close to infidelity.

Ladies and gentlemen, on 1 January 1992, all Malaysians should make a resolution to ensure the success of all tasks entrusted to them to enable us to score greater achievements in the second year of our efforts toward Vision 2020. Let us—Malaysians of all races—work shoulder to shoulder and make serious efforts to serve the Malaysian nation! Finally, I would like to wish all Malaysians a happy New Year and pray that 1992 will bring a happy life to all of us and lead us into a level of development needed to ensure the success of Vision 2020. May God always help and guide us! And peace be upon you again!

Cambodia

Son Sann Issues New Year Message

BK0101091792 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 1 Jan 92

[Message to the nation by His Excellency Son Sann, president of the Khmer People's National Liberation Front and member of the Supreme National Council of Cambodia, on the occasion of the New Year of 1992—recorded]

[Text] Respects to all venerable Buddhist monks; greetings to beloved compatriots, to all compatriots in Cambodia, along the border, and abroad:

On the occasion of the New Year of 1992, permit me to extend my greetings to all of you. May all your wishes be fulfilled and may you enjoy peace, happiness, and prosperity in your families and throughout our country.

I would like to take the opportunity to inform you that since 23 October, when all our four factions signed the Paris agreement to accept the Big Five solution, it has been my firmest belief that if we fully and strictly

implement that agreement, Cambodia will have peace, and moreover, all the big powers, all the rich countries will come in to help us rebuild the nation. In the future, our country will thus be prosperous and developed. Not only will our country have peace, but it will also be economically advanced. I would like to inform you that it has long been my firm belief—since 1963 to be exact—that if our Cambodian nation is reconciled, we will have independence. That can be true when our brothers know how to be reconciled as nationalists and supporters of democracy. This has been my belief since 1963. I continue to be entrenched in that belief.

Therefore, now we can see that if we want to have national reconciliation, all of us in the four factions, no, let us say all Cambodian brothers from whatever faction they may belong to, must strictly implement the Big Five solution that we signed on 23 October 1991. I affirm that if we do, we will be able to have national reconciliation and if we can achieve national reconciliation we will have peace. I call for that on the occasion of the New Year and I request that the international forces, the forces of UNTAC [UN Transitional Authority in Cambodia] come as soon as possible in order to help us achieve national reconciliation and rebuild the country.

Besides reconciliation, all of us Cambodians must be understanding toward each other. How? Sometimes the ideas of the officials and those of the students are different, even conflicting. Sometimes they seem not to understand each other. For this reason, I beg all brothers who have differences of opinion to meet each other, try to understand each other, and explain things to one another. Those in power should understand the younger generation, the future of Cambodia. Make them understand. They are sincere. Do not use brute force or violence against them; use nonviolence instead. Learn to understand one another. Discuss things together. Meet each other. Explain things to each other. You will talk the same language. First, if there is a differeace of views you should explain each other's position. The students are sincere. The authorities who know where lie the difficulties or the problems should explain them to the students. The students are sincere; they surely will understand.

Thus I beg all brothers in Cambodia to preserve national reconciliation so that the nation can have peace and prosper. Please listen to one another; explain things to each other; meet to sort out problems with each other; do not be violent toward each other, for that will lead to discord. Our nation needs reconciliation. To have reconciliation we must understand each other. To understand each other, you must explain your position to one another. Thus I beg all of you for that.

I see now that there are many problems in Cambodia. As I informed you once already, I have some experience and I wish to be of some help to you, to the nation with my experience, my advice. I once served the country in the economic sector, and since I see that there are now many economic problems I ask in my capacity as a member of the Supreme National Council [SNC] of Cambodia to be allowed to give advice. I attended the World Bank and IMF conference in Bangkok this year. I know, and they knew I know, how to do it so that they will come and help train us in the economic-financial field. When they see that we can do it they will trust us and consequently we will have the possibility, the means to ask the international organizations like the World Bank for loans so that we can complement our budget and have money to pay all our workers. We will not have any lay-offs. If we lay some off and keep some in, there surely will be crisis in the country and no reconciliation will be possible.

That is my opinion. It does not mean that I want to occupy the economic-financial post and replace the current ministry, for the SNC is an organization, a forum to settle major issues. It is not an executive body, not a replacement for the financial institution or the national bank. It is a forum of ideas, a think tank that will help light up the path and draw out the means for you so that the international community can see our projects and trust us. If the chaos continues to persist as it does at present, no one, no investors dare come invest in Cambodia. Only by understanding each other, achieving reconciliation, and getting rid of the crisis will the foreign investors come to our country. If they invest in our country, there will be many, many factories. Tourism will be reorganized and many tourists, even millions of tourists will come to our country. More hotels will be built and new factories will be open. With such an influx of enterprises, jobs will be plentiful for all our brothers. There will be no need to lay anyone off. There will be jobs for all. Then the international organizations, such as the World Bank, will have more trust for us and will help us even more after seeing us reconciled and working efficiently. We will get grants from them and with that money we can open new factories and develop our economy, or we can use it to raise the salaries for our compatriots. There will be no need to lay anyone off.

That is one idea to bring reconciliation to our nation to which I sincerely tip all of you, and I beg that from now on we should stop using violence or brute force against each other. Let us use peaceful means to tackle problems instead. Only then can we understand each other and can the nation be reconciled. That is one thing I hope we will be able to do in the New Year. I hope we can have reconciliation so that our nation can have peace, happiness, and prosperity. I beg all Buddhist monks to kindly consider my message. If I say it correctly, please spread this message to all our brothers so that they can understand and follow it. It is my sincere wish to see our country have peace and prosperity. I beg all brothers to be understanding toward each other just as I have explained in my message. Thank you very much.

SNC Meeting, Sihanouk Message to UN Reported

BK0101020692 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 31 Dec 91

[Text] On behalf of the Supreme National Council [SNC], Samdech Norodom Sihanouk has sent a letter to

His Excellency [H.E.] Javier Perez De Cuellar, UN secretary general, asking him to dispatch as soon as possible the UN Transitional Authority in Cambodia to Cambodia.

Reports from Phnom Penh say that on 30 December 1991 at 0930 the SNC held its first meeting at the royal palace in Phnom Penh under the lofty chairmanship of Samdech Norodom Sihanouk, Cambodia's head of state and SNC chairman.

Attending the meeting were SNC members from the four Cambodian parties, representatives of the five permanent members of the UN Security Council [UNSC], and a representative of the UN Advance Mission in Cambodia [UNAMIC]. The reports say that representatives of Australia and Thailand also took part in the meeting.

The meeting was conducted in a conciliatory spirit. At the start of the meeting Samdech Norodom Sihanouk, Cambodia's head of state and SNC chairman, sent a message on behalf of the SNC to H.E. Javier Perez De Cuellar, UN secretary general. Here is the text of the message:

To H.E. Javier Perez De Cuellar, UN secretary general

Your Excellency: On behalf of the SNC, which met today for the first time in Phnom Penh, I would like to express warmest greetings to you and most profound gratitude for your constant efforts to promote implementation of the 23 October 1991 Paris agreement to solve the Cambodian problem comprehensively.

I am very happy to learn from H.E. Ataul Karim, head of the UN Advance Mission in Cambodia, UNAMIC in short, that Your Excellency is going to nominate your special representative and send him quickly. The SNC and myself look forward to welcoming the special representative and cooperating with him in the near future.

Since the Paris agreement was signed many events have made us all very worried. Everyone now feels the same way, namely that UNTAC must be deployed to Cambodia quickly. UN peacekeeping forces, in particular, are of vital significance to enabling the SNC to function normally and to cooperate closely with UNTAC to implement the agreement.

In this spirit, on behalf of the SNC, I would like Your Excellency to most quickly get UNTAC to Cambodia, particularly to Phnom Penh. I request that the first UNTAC contingent be dispatched to Cambodia in January 1992.

Your Excellency, please accept my highest consideration.

Call for UNTAC Presence Lauded

BK0201025092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 1 Jan 92

[Unattributed commentary: "The Cambodian People Fully Support the 27 December 1991 Statement of Samdech Norodom Sihanouk, Head of State and Chairman of the Supreme National Council of Cambodia"]

[Text] I. The following is the gist of the statement issued on 27 December by Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia:

1. I would like to appeal to the UN secretary general to send his representative to Cambodia at the earliest possible date;

2. I would like to call on the UN secretary general to urgently dispatch the UN Transitional Authority in Cambodia [UNTAC] contingent to the country; and

3. The Paris 23 October 1991 accord on Cambodia can only be correctly and successfully implemented if the UN secretary general's special envoy, UNTAC, and the SNC join hands to implement the accord.

II. The statement of the Cambodian head of state and SNC chairman is highly realistic and is designed to allow the Cambodian nation and people to live safely and have the opportunity to earn a living and improve their living conditions in an independent, peaceful, and prosperous state, like other developing countries in the world.

III. The Cambodian people in rural and urban areas and inside and outside the country are very pleased to uphold the samdech's lofty and valuable statement. The Cambodian people pledge to always make use of the samdech's 27 December 1991 statement as a compass in the process of implementing the peace accord to end the Vietnamese war of aggression against Cambodia.

Only through the presence of the UN secretary general's representative and UNTAC in Cambodia during the transitional period, and only through cooperation between UNTAC and the SNC chaired by Cambodian Head of State Samdech Norodom Sihanouk, can the peace accord for ending the Vietnamese war of aggression against Cambodia be properly implemented and verification of the withdrawal of all Vietnamese aggressor forces be meticulously and definitely carried out.

Factions Agree To Meet in Each Other's Camps

BK0201112492 Hong Kong AFP in English 1052 GMT 2 Jan 92

[Text] Phnom Penh, Jan 2 (AFP)—The top brass of Cambodia's formerly warring factions agreed Thursday to meet weekly in one another's headquarters, the leader

of the United Nations military mission here said Thursday. The four agreed to shift their meeting places routinely to include such places as Pailin, the headquaters of the Khmer Rouge, General Michel Loridon said.

While the idea poses logistical problems, "they agreed in principle," he said.

The four also agreed to allow one representative of each faction to be based in their respective headquarters along with U.N. military officers, Loridon said.

Meanwhile, the general said the U.N. Security Council in a meeting this week would expand his mandate to allow more military officers to oversee the ceasefire.

Although the ceasefire appears to be holding in areas under U.N. supervision, he said, "the problem is in the rest of the country. We are not there."

Also Thursday, Khmer Rouge defense chief Son Sen sent a letter to the head of the U.N. advance mission here, Ataul Karim, asking him to set up offices in Kompong Som, Kampot, Kompong Cham and other areas without a U.N. presence.

Loridon said the faction leaders were trying to adhere to the ceasefire, but had some discipline problems with rebel soldiers turning into bandits.

"I requested that we have a real ceasefire from the 1st of January. I said you have to give orders to your soldiers not to move now, and not to have military activities," Loridon said. "I hope it is true. We will have to wait and see."

Thirty-three U.N. liaison officers are currently deployed in the four faction headquaters and the provinces of Siem Reap and Battambang. Another 17 are stationed in Phnom Penh.

"I know there were a lot of incidents before the 15th of December," Loridon said. "Since the 15th of December, incidents were quite null in the country. The presence of the (military liaison officers) is a good thing."

Radio Cites Hun Sen on Forces Reduction

BK0101120691 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 31 Dec 91

[Text] The Supreme National Council of Cambodia [SNC] held a meeting on Monday morning, 30 December. It was convened immediately after His Excellency [H.E.] Khieu Samphan, SNC member from the Party of Democratic Kampuchea, arrived in Phnom Penh. Mr. Son Sen, another SNC member from the Party of Democratic Kampuchea, did not return to Phnom Penh, but he empowered H.E. Khieu Samphan to make all decisions on his behalf.

The meeting began at 0920 under the chairmanship of Samdech Preah Norodom Sihanouk, head of state and SNC chairman. Present there besides the 10 SNC members were representatives of the UN Advance Mission in Cambodia, or UNAMIC, representatives of the five permanent UN Security Council members, and representatives of Thailand and Australia.

The SNC meeting yesterday decided to appeal for the immediate deployment of the UN Transitional Authority in Cambodia, or UNTAC. The meeting proceeded in an excellent atmosphere.

H.E. Khieu Samphan proposed during the meeting that the first contingent of 1,000 UNTAC soldiers be dispatched to Cambodia, while H.E. Hun Sen said that there was no need to put a limit on the number of soldiers. However, Mr. Hun Sen proposed on that occasion to dissolve the Armed Forces of all factions by 100 percent.

The first formal meeting of the SNC in Phnom Penh decided that, as of next week, regular meetings will be held every Friday and that the SNC Secretariat will meet every Tuesday.

An SNC Secretariat meeting also was convened on the same afternoon in the presence of UNAMIC representative Mr. Ataul Karim, who stated that UNAMIC will send demining experts to Cambodia and that a representative of the UN secretary general will be accredited to the SNC in Phnom Penh after the new UN secretary general has taken office officially.

SPK Denies Report

BK0101122092 Phnom Penh SPK in French 1120 GMT 1 Jan 92

[Text] Phnom Penh, 1 Jan (SPK)—The "Voice of the Khmer" radio broadcast a report in the evening of 31 December a report alleging that, during the meeting of the Supreme National Council (SNC) of Cambodia, Cambodian Prime Minister Hun Sen had proposed a "100 percent dissolution of the Armed Forces of all Cambodian factions."

The news agency SPK is authorized to categorically refute this fallacious report, and would like to specify that during the SNC meeting held in Phnom Penh on 30 December, Mr. Hun Sen had reaffirmed the State of Cambodia's position on the 70 percent dissolution of the Armed Forces of all factions as stipulated in the peace agreement signed in Paris on 23 October.

Son Sen Urges Close UNAMIC-4 Party Cooperation

BK0201003892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 1 Jan 92

["Message from His Excellency Son Sen to the Head of the UN Advance Mission in Cambodia"; dated 28 December—read by announcer]

[Text] Pailin, 28 December 1991

To Your Excellency Ataul Karim, head of UNAMIC [UN Advance Mission in Cambodia] in Phnom Penh.

Your Excellency: First of all, I would like to express the warmest greetings to you. Based on experience from our cooperation, I, on behalf of the National Army of Democratic Kampuchea [NADK], would like to propose the following measures that I think can help make UNAMIC's task and implementation of the Paris 23 October 1991 accord correct and effective:

1. UNAMIC and the four Cambodian parties should jointly participate in any future meetings;

2. UNAMIC and the representatives of the armies of the four Cambodian parties should be stationed together at every UNAMIC office; and

3. Apart from UNAMIC's present office, I would like to propose that other UNAMIC offices be installed in Kompong Som [City] and Kompong Cham, Kampot, Takeo, Kompong Thom, Preah Vihear, Kratie, and Stung Treng Provinces.

I am of the opinion that only with the combined presence of the representatives of the four Cambodian parties' armies and UNAMIC at the aforementioned points can the monitoring of implementation of the cease-fire and verification of the foreign forces in Cambodia be carried out meticulously, correctly, and effectively in compliance with the Paris 23 October 1991 accord.

Your Excellency, please accept my highest regards.

[Signed] Son Sen, member of the Supreme National Council and commander in chief of the NADK.

Ranariddh Discusses Khieu Samphan Departure

BK0201015892 Bangkok BANGKOK POST in English 2 Jan 92 p 6

[Report on interview with Prince Norodom Ranariddh, head of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia, FUNCINPEC, by James Pringle on 1 January; place not given]

[Text] Phnom Penh—Khmer Rouge nominal leader Khieu Samphan left Phnom Penh after 24 hours spent in the royal palace this week because he was "frightened," the leader of another of the Cambodian factions said here yesterday.

Prince Norodom Ranariddh, head of the royalist guerrilla army and party, said for the time being at least, and in spite of the promises of Phnom Penh Prime Minister Hun Sen, Khieu Samphan did not feel either safe or comfortable in the Cambodian capital.

The Prince said he did not feel the Supreme National Council (SNC), an interim body grouping all warring factions that is to work with the United Nations in implementing the peace accords in Cambodia, would be able to do its work this way.

"I feel personally sorry for the credibility of the SNC and as a Cambodian I feel very sorry we are not succeeding in achieving national reconciliation among ourselves," the 48-year-old Prince, a law professor, said in a gloomy New year's Day interview.

The SNC met for the first time on Cambodian soil on Monday, following the arrival of Khieu Samphan, who had been forced to flee a mob that attacked him on his previous return on November 27.

But on Tuesday the Khmer Rouge leader abruptly departed for Bangkok again after only one night in the royal palace.

The Prince, son of former monarch Prince Norodom Sihanouk, the SNC chairman, said the atmosphere at the SNC meeting had been "very good."

"There were no clashes and there was mutual understanding. But what kind of SNC is it when Khieu Samphan comes for only one night?" he asked.

"We cannot really work this way because all the SNC members have to be here together and work out informally among ourselves how to resolve the remaining serious problems.

"But Mr Khieu Samphan is so frightened he did not accept my father's suggestion that the SNC meet in a regular weekly session."

The next meeting was scheduled for January 10 but it was a question whether Khieu Samphan would come or not, the Prince said.

He noted only two Khmer Rouge members of the SNC Secretariat remained in Phnom Penh but they were not of a sufficiently senior level to tackle the problems.

"It is a question of trust and confidence," Prince Ranariddh said. "As early as possible all the SNC members must be here together."

Prince Ranariddh expressed his sadness over loss of life during demonstrations ten days ago against alleged corruption in the Phnom Penh regime, and for human rights, in which seven people were killed.

"I have been a guerrilla resistance leader for eight years, and the AK-47s did not disturb me very much, but for Cambodia it is very worrying. I felt very concerned for the peace agreement, but it appears after the SNC meeting everything is back on track.

"I feel very sad for the Cambodian people—shooting, dying is never good. I hoped after the October 23 peace agreements were signed I would never hear such fighting again."

The Prince appeared to try to distance himself from the ruling People's Party [CPP] of Prime Minister Hun Sen,

with which his own party had earlier formed an alliance to fight UN-supervised elections in 1993.

"It is really a very, very loose alliance," he said. "It is more than loose now, after these events," he said, referring to the bloody suppression of the demonstrations.

"Everything must be based on the supreme national interest of Cambodia, and if they (the People's Party) are not responding to that I will quit the alliance."

He said that people had told him if his party stood separately in the elections after the "events" of December 21 it would win 70 or 75 percent of the vote if the ballot was fair and free.

He said his FUNCINPEC Party would change its name before the elections to the Sihanoukist Party, embodying the ideas of Prince Sihanouk, though he said his father would remain neutral as SNC chairman.

Solarz, Hor Namhong Discuss Peace Process

BK0101133292 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 1 Jan 91

[Text] Mr. Hor Namhong held talks with Mr. Stephen Solarz, U.S. representative and chairman of the Asia-Pacific Affairs Commission, at the Foreign Ministry on 1 January.

First of all, Mr. Hor Namhong welcomed Mr. Stephen Solarz on his fourth visit to Cambodia, made at a time when the country is beginning to experience peace. Then he informed his guest of the implementation of the Cambodian peace agreement, stressing that the meetings of the Supreme National Council [SNC], the SNC Secretariat, and the Mixed Military Working Group have started and the mine clearing work will also start soon. Moreover, all Cambodian factions have agreed to strictly implement the agreement.

Concerning the cease-fire, the minister revealed that it was generally respected despite some instances of violations and some land-grabbing operations by the Khmer Rouge faction.

Mr. Hor Namhong assured that the State of Cambodia [SOC] faction will implement the agreement 100 percent—no more and no less.

On the implementation of the agreement, Mr. Hor Namhong clearly stressed that it would be possible only in the presence of the special representative of the UN secretary general and the UN Transitional Authority in Cambodia [UNTAC]. It is for this reason that the SNC has requested that the special representative of the UN secretary general and UNTAC come to Cambodia as soon as possible.

At present, although all Cambodian factions wish that the implementation of the agreement would proceed successfully, if there is not a sufficient budget UNTAC will not be able to carry out its duty in Cambodia, and without the presence of UNTAC the implementation of the peace agreement will not be possible either. In that case, the contributions of the United States constitute a determining factor.

Answering Mr. Stephen Solarz's question about the SOC's consent to accept the Paris agreement, Mr. Hor Namhong stressed: True, that peace agreement is not perfect, but we have no other choice because it has ended the civil war, brought about national reconciliation and the reconstruction of Cambodia, and will lead toward correct and free elections. Of course, the threat of the genocidal regime's return still hangs over our heads for a long time.

Concerning political prisoners, the minister said that the SOC will abide by the agreement and that the SOC will release all political prisoners in the future. On this matter, he stressed that the SOC had released a number of prisoners even before the agreement was reached.

On other issues, Mr. Hor Namhong clearly stated that the SOC will fully implement the agreement and will adhere to its Constitution.

About the recent disturbances, the minister explained that they stemmed from some misunderstandings. It is true that there were some abuses, he said. However, the demonstrations degenerated into violations of human rights. The SOC respects the right to stage demonstrations, but the demonstrations must not degenerate into acts of violence and armed riots.

In conclusion, the minister asked Mr. Stephen Solarz to urge the U.S. Congress to contribute to the implementation of the agreement by paying the U.S. dues to the United Nations so that UNTAC and the special representative of the UN secretary general can come to Cambodia to help speed up the implementation of the Cambodian peace agreement.

Mr. Stephen Solarz expressed his thanks and agreed with all the explanations made by Mr. Hor Namhong. He promised that he would do his best so that peace can quickly return to Cambodia. He also said he expected to come to Cambodia again because Cambodia is one of the countries of which he is primarily concerned.

Corruption of Phnom Penh Officials Detailed

BK0101020292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 31 Dec 91

["Reports on Increasing Corruption in the Phnom Penh Regime"]

[Text] Reports from Phnom Penh say the industry minister of the Phnom Penh regime has sold the Phnom Penh electricity department to Vietnam. This sale fetched 480 million riel.

The reports also disclose that after buying the electricity department from the Phnom Penh regime, Vietnam has expelled all Cambodian staff, except those who slavishly serve the Vietnamese. Many Vietnamese workers have been brought in to replace the Cambodian staff. The reports also say that other corrupt officials have sold 16 big ships to Vietnam, the shipyard for repairing large and small ships, and 38 big and small lathes. Cambodian workers are sacked and replaced by Cambodian-speaking Vietnamese specialists.

The reports also add that Phnom Penh's minister of communications, transport, and posts has sold to Vietnam 316 big and small cars, villas, and big buildings belonging to the state and the people, and has also recruited for work Cambodian-speaking Vietnamese staff and some Cambodians who slavishly serve Vietnam.

The reports also say that the Health Ministry has sold all hospitals to foreign companies, namely Vietnamese and other foreign companies, who are in complete control of these establishments. According to the reports, all fishing enterprises in Tonle Sap have also been sold and allowed by corrupt officials of the Phnom Penh regime to fall under Vietnamese control.

Political Prisoners To Be Released Over Weekend

BK0201142092 Hong Kong AFP in English 1151 GMT 2 Jan 92

[Text] Phnom Penh, Jan 2 (AFP)—The Phnom Penh Government said Thursday it would release 400 prisoners, some of them political, over the weekend.

The releases are required under the peace treaty, signed in October, ending Cambodia's civil war. But as of now the Phnom Penh Government has admitted releasing only 1,000 of its 2,000 political detainees.

Faction leaders such as Son Sann have made constant pleas to have their loyalists let out of Phnom Penh's prisons.

On Saturday, 100 prisoners will be released from T-3, the city's largest detention center, and another 100 will be set free from a second city prison close to the airport, according to the Foreign Ministry.

On Sunday, 200 prisoners will be released from a prison in Kompong Speu—a scene of heavy fighting during the civil war—50 kilometers (30 miles) south of the capital.

The Foreign Ministry did not give additional information about the prisoners, except to say there were political detainees among the group to be released.

28 Dec Joint Military Committee Meeting Viewed

BK3112121191 Phnom Penh SPK in French 1059 GMT 31 Dec 91

[Text] Phnom Penh 31 Dec (SPK)—The Joint Military Committee made up of representatives from the four warring Cambodian factions met in Phnom Penh on Saturday, 28 December, to discuss the process of implementing the peace accords signed in Paris on 23 October.

Attending the meeting presided over by Ataul Karim, head of UNAMIC (UN Advace Mission in Cambodia), were General Ke Kimyan, first deputy defense minister of the State of Cambodia [SOC]; Gen. Kruoch Yoeum, deputy chief of the General Staff of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]; Gen. Pan Thai, chief of the General Staff of the KPNLF [Khmer People's National Liberation Front]; and Mr. Mak Ben, Democratic Kampuchea's (Khmer Rouge) representative to the Secretariat of the Supreme National Council.

The participants had in-depth discussions on the cease-fire issue and reached an agreement on the cessation of the recent spate of violations.

French General Michel Loridon, commander of the UNAMIC military component, with the approval of the four Cambodian factions, declared that all parties have pledged to strictly respect the cease-fire as of 1 January 1992. Any military group that commits a violation and is not recognized by any of the four factions shall be regarded as a group of bandits and shall be dismantled by the four Cambodian factions themselves, he said.

Gen. Ke Kimyan stressed on that occasion that the cease-fire agreement has been observed by the SOC party since 1 May 1991.

The meeting decided to authorize the flights of UNAMIC aircraft in the airspace controlled by the different factions as of 28 December 1991. UNAMIC informed the participants of its communication installations in each of the various zones of control.

By virtue of a common accord, a delegation of the SOC General Staff headed by Gen. Preap Tan visited FUNCINPEC's O Smach sector on 30 December in exchange for a visit to Phnom Penh by a FUNCINPEC delegation headed by Gen. Kim Hang.

'2d Protest Message' Against SRV Shelling

BK0101021292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 31 Dec 91

["Second Protest Message of People in (Cha He), Mesar, Stoeng Chhveng, Roung Veng, O Svay, Anlung Chrey, and Kraol Krabei Villages in Prey Chhor Kraom, Kang Meas, and Cheung Prey Districts, Kompong Cham Province, over Artillery Shellings by the Vietnamese Aggressors To Most Cruelly and Barbarously Kill Cambodian People"]

[Text] On 23 December 1991, the Voice of the Great National Union Front of Cambodia Radio received a second protest message from our people in (Cha He), Mesar, Stoeng Chhveng, Roung Veng, O Svay, Anlung

Chrey, and Kraol Krabei Villages in Prey Chhor Kraom, Kang Meas, and Cheung Prey Districts in Kompong Cham Province. Our people would like to protest to the Cambodian Supreme National Council [SNC], headed by Samdech Norodom Sihanouk, Cambodia's head of state; the UN Transitional Authority [UNTAC]; and the UN Advance Mission in Cambodia [UNAMIC] over the following:

1. From 13 to 15 December 1991—that is, over five [as heard] days—the Vietnamese aggressors used 130-mm, 120-mm, and 100-mm artillery pieces, 107-mm rockets, and 82-mm mortars to shell and destroy (Cha He), Mesar, Stoeng Chhveng, Roung Veng, O Savy, Anlung Chrey, and Kraol Brabei Villages in Cheung Prey District, Kompong Cham Province, killing or wounding many people in these villages. Among those killed or wounded were a number of pregnant women and children. A lot of our people's houses, property, cattle, pigs, poultry, and crops have been destroyed.

2. After the shellings, the Vietnamese aggressors also used machine guns and hand guns to launch assaults to burn down our people's houses and plunder our people's property. Along with this, the Vietnamese aggressors rounded up many of our people who were then executed.

3. The Vietnamese aggressors forced all our people in the above villages to sign a protest note accusing the Party of Democratic Kampuchea of carrying out the shelling and killing of the people. However, the Vietnamese aggressors managed to get only about 10 or 20 villagers to sign it. The remainder of our people opposed it or escaped.

Our people in the above villages would like to protest to the SNC, UNTAC, and UNAMIC so the latter can take effective and most urgent measures to prevent the Vietnamese aggressors from carrying out killing of innocent Cambodian people in such a brutal manner.

A good measure would be for the UNTAC to deploy to Cambodia as soon as possible. Along with this, the UNTAC should cooperate with the SNC, headed by Samdech Norodom Sihanouk, Cambodia's head of state, to correctly implement all the clauses of the peace agreement to end Vietnam's war of aggression, particularly, to cooperate in meticulously and clearly checking the withdrawal of all types of Vietnamese aggressor forces from Cambodia.
[Dated] 20 December 1991
[Signed] Villagers of (Cha He), Mesar, Stoeng Chhveng, Roung Veng, O Svay, Anlung Chrey, and Kraol Krabei

Sihanouk Recognizes Former Soviet Republics

'Warmly' Congratulates Yeltsin

BK0101083092 Phnom Penh SPK in French 0404 GMT 1 Jan 92

[Text] Phnom Penh 1 Jan (SPK)—Samdech Preah Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC], recently "very warmly congratulated" Mr. Boris Yeltsin, president of the Russian Federation on the occasion of the historic establishment of the Commonwealth of Independent States, of which the Russian Federation is a member.

In his message, dated 27 December, Prince Sihanouk said in essence:

"On behalf of independent and united Cambodia, member of the United Nations, the SNC of which I am chairman, legally recognizes the Russian Federation as a sovereign and independent state with territorial integrity.

"I am convinced that the traditional relations of friendship linking our two countries and people, and their multiform cooperation will constantly develop.

"It is with these sentiments that I express to Your Excellency my fervent wishes for the complete success of your historic mission at the head of the Russian Federation, and for the happiness and prosperity of the great Russian people. Please, Mr. President, accept my highest consideration.

In another message addressed the same day to the Russian president on behalf of the SNC, Prince Sihanouk "informed him that Cambodia officially recognizes the Russian Federation as the legitimate successor of the former Soviet Union and in its role as permanent member of the UN Security Council."

Greets Kravchuk

BK0201064492 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 2 Jan 92

["27 December Message of Greetings From Samdech Preah Norodom Sihanouk, Head of State and Chairman of the Supreme National Council of Cambodia, to Ukrainian President His Excellency Leonid Kravchuk"—read by announcer]

[Text] On behalf of the Cambodian people and Supreme National Council [SNC] and in my own name, I would like to convey to Your Excellency the warmest greetings on the historic creation of the Commonwealth of Independent States, of which the Ukrainian Republic is a member.

On behalf of independent and united Cambodia, member of the United Nations, the SNC of which I am chairman absolutely recognizes the Ukrainian Republic as a sovereign and independent state within its territorial integrity.

We firmly believe in the traditional relationship and multifarious cooperation between our two countries and peoples for constant progress.

It is with this sentiment that I would like to extend to Your Excellency best wishes for the complete achievement of your historic mission at the helm of the Ukrainian Republic.

May the Ukrainian people achieve happiness and prosperity.

Your Excellency, please, accept my sincerest and highest salutations.

Sends Message to Shuskevich

BK0201145892 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 2 Jan 92

[27 December greetings message from Samdech Preah Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, to Stanislav Shuskevich, president of the Republic of Belarus]

[Text] On behalf of the Cambodian People and the Supreme National Council [SNC] and in my own name, I have the honor to send to your excellency a message of warm congratulations on the historic founding of the Commonwealth of Independent States, of which the Republic of Belarus is a member.

On behalf of an independent and unified Cambodia, a member of the United Nations, the SNC of which I am chairman formally recognizes the Republic of Belarus as a sovereign and independent state within its territorial integrity.

I firmly believe in the traditional relations existing between our two countries and peoples and the all-around cooperation for constant progress.

It is with this sentiment that I would like to extend to your excellency best wishes for the complete success of your historic mission at the helm of the Republic of Belarus.

I wish the Belarus people as a whole happiness and prosperity.

Excellency, please accept my sincere and high regards.

Chea Sim Meets Malaysian Envoy, Condemns KR

BK0101054892 Phnom Penh SPK in English 0435 GMT 1 Jan 92

[Text] Phnom Penh SPK January 1—National Assembly Chairman Chea Sim said here Tuesday the situation in Cambodia has now reached a final stage with the four Khmer factions meeting Monday following the signing of peace agreement in Paris in October 1991.

Chea Sim, who is also chairman of the Cambodian People's Party, made the remark while receiving in Phnom Penh Ambassador Deva Mohamed Ridzamabudullah [name as received], special representative of Malaysia to Cambodia's Supreme National Council.

"At present, the State of Cambodia is actively implementing the agreement," Chea Sim said.

Chairman Chea Sim condemned the Khmer Rouge [KR] for having violated the cease-fire by staging pillage activities against the civilians at Prek Kdam and other remote areas in the country.

He considered the recent students' violent demonstration in Phnom Penh "aimless," master-minded by reactionary forces to split the Phnom Penh Government. "In fact, the negative phenomenon in the society must always occur, but we have taken measures against it by dismissing some ministerial officials from power," Chea Sim said.

"Our party is democratic, allowing the people to exercise just democratic right without abusing the right of others," he said, adding "violent demonstration is banned."

In reply, D.M. Ridzamabudullah pledged to assist Cambodia in all spheres, especially in commerce.

He said Malaysia wanted to establish a long, lasting relation with Cambodia.

In the near future, Malaysian bank officials were to come to Cambodia to promote foreign investment and open an air link between Kuala Lumpur and Phnom Penh, he said.

Chea Sim Visiting Thailand, To Meet Suchinda

BK0201015292 Bangkok THE NATION in English 2 Jan 92 p A1

[Text] Chairman of the National Assembly and the Cambodian People's Party Chea Sim left for a brief visit to Bangkok yesterday at the invitation of Thai military leader Suchinda Khraprayun.

A Thai military plane was sent to Phnom Penh and transported Chea Sim and his eight-member delegation to Bangkok around 3 pm yesterday.

The trip was purportedly arranged in order for Chea Sim to receive a medical examination and for recreation in Bangkok.

But it is believed that Suchinda, supreme commander and army chief, and other Thai military leaders invited him to Bangkok in order to become better acquainted and to discuss Cambodia's internal affairs.

According to sources, Chea Sim and his delegation, including Say Bhouthong, one of the four executive committee members of the Cambodian People's Party, will remain in Thailand until Jan 6.

Indonesia

President Suharto Delivers New Year's Speech

BK0101125192 Jakarta Radio Republik Indonesia Network in Indonesian 1209 GMT 31 Dec 91

[New Year's Eve address to the nation by President Suharto—recorded]

[Text] Fellow countrymen: Peace be upon you! In a few moments, we will usher in the new year. We will leave 1991 and enter 1992. Like the previous years, I want to ask a little time of yours to look back, understand, and contemplate the meaning of the year we will soon leave behind. The objective of this contemplation is that we will be able to learn our lessons from events we have experienced together in the year which will end soon.

If we adopt a wise attitude, we will learn valuable lessons from our common experiences in 1991 so we may turn them into our spiritual provisions when we continue our journey in 1992. There were many important events in 1991, which we should review to make us wiser. The important events took place at international, regional, and national levels. We must promote and develop the positive things as well as avoid the negative ones so they will not happen again.

Fellow countrymen, the world continued to move in a dynamic way in 1991. The political, economic, and security maps of the world kept changing rapidly. As part of the world community, which is getting more and more unified, whether we like it or not, we will be influenced by the global changes. In response to such global changes, our attitude is clear, namely, we will continue to do our best to live up to the preamble of our Constitution and to contribute to the global order based on freedom, eternal peace, and social justice. We will also do our best to take advantage of existing opportunities for the smooth implementation of our national development and avoid things detrimental to our development programs.

With the end of the Gulf War, all countries are now focussing their attention on economic development. There is both heartening and discouraging news. We are heartened by the fact that the funds for the arms race have now been channeled into the national development of each country. On the other hand, what discourages us is that the economic development has led to the emergence of trade blocs, which are confronting each other. The establishment of such trade blocs constitutes rivalry among the big powers in the world. In such a situation, economically weak and developing countries will usually become victims. Therefore, we always call on all parties to take up joint responsibility and create a new order in political and economic fields, which guarantees justice, progress, and common prosperity. This is the only way toward the salvation, prosperity, and peace for everybody and every nation.

History shows that common responsibility will ensure eternal peace and social justice. This common responsibility must be shared by all nations and countries, whether they be small or big ones, whether they be strong or weak economically. For us, there is no other choice but exerting our energy to ensure the success of our national economic development.

Against the background of such changes, we have witnessed nations which are facing disintegration. Out of our deep concern, we hope that they will be able to solve their problems and learn valuable lessons from their experience. The lesson we can draw is that national unity is not something we can take for granted. We must continue to cherish national unity strenuously and with a sense of responsibility. We must strengthen our sense of solidarity with concrete steps.

Changes should be done cautiously and vigilantly. Such changes should not affect our weak spots and endanger our national unity. That is the reason why we are determined to maintain our dynamic national stability, which constitutes our primary interest in safeguarding and continuing our development programs.

Against the background of our improved life as a nation and our economic progress, we have given more meaningful contribution toward the implementation of the preamble of our Constitution, namely, taking part in maintaining global order based on freedom, eternal peace, and social justice. In this connection, along with other ASEAN countries, we have the pleasure to restore peace to the Cambodian people.

Fellow countrymen, as I said earlier, our main attention is still focused on economic development. As I have repeatedly said that our concentration to economic development does not mean that we neglect other areas. We continue to develop our political life, rejuvenate our [word indistinct], uphold justice, revitalize our cultural life, and make further progress.

This year, we underwent a harsh and long drought, but we made extra efforts to ensure an adequate supply of food and maintain our self-sufficiency in rice. Experiences make us aware of the importance of paying attention to climatic changes so as to enable us to take precautionary measures long beforehand. Such drought happened in the past and will happen again in the future. Climatic changes are among other things caused by (?global warming), which is in turn caused by inadequate preservation of the environment and the extravagant lifestyle in industrialized countries. Therefore, while we continue to build our important industrial sector for the progress of our society, we must also preserve our environment in both our cities and villages, in our rivers, seas, and islands. We must preserve our environment so it may become a source of life for our descendants.

A balanced development in various economic sectors indeed requires our full attention. Rapid development in one sector, which cannot be matched by that in other sectors, may cause new problems. Therefore, we must

make adjustments from time to time so as to maintain the momentum of economic progress we have achieved thus far. As such, our economy will have a healthy, balanced, and continuous growth.

In this connection, the government's major policies consist of curbing the inflation rate and maintaining a proper balance of payment. I am aware that such policies have caused difficulties in obtaining loans among our businessmen. However, we have to boldly take these tough measures and jointly shoulder their impact with great understanding so as to enable our economy to grow further, while at the same time we will look for a way which will not endanger our economy as a whole. Therefore, we have decided to postpone our giant and strategic projects. In line with the public's new initiative and ability as a result of the deregulation policies in recent years, we have made a reasonably satisfactory economic growth. We have also succeeded in curbing our inflation rate, which is under (?eight) percent.

Our economic scenario this year shows that we continue to have economic resilience. We must enhance our vigilance in running our economy next year because there are signs of world economic slowdown with unpredictable consequences. What is important is that we must have the determination to work hard and know how to capitalize on any existing opportunity.

Fellow countrymen, in promoting our national cultural life, we noted two major things this year, namely the holding of the National Culture Congress and the Istiqal Festival. During these two main events, our cultural experts from all walks of life had discussed all aspects of our culture. We are still aware of the richness of our culture, which will be the driving force of our national development in the future. It is indeed necessary for us to hold such major meetings from time to time because in the long run, the ultimate objective of our national development is to build a complete person and [words indistinct] the entire society.

Generally speaking, we have more and more confidence in our dynamic and creative national life. Our confirmation of Pancasila as the sole principle in our national life has enabled all people to communicate with the same language. This has rejuvenated our atmosphere of openness based on a sense of responsibility. The progress we have achieved in our development programs has enabled us to have adequate resources for future development.

We have now tasted the fruits of our development. The population census conducted by the Central Statistics Bureau shows the decreasing number of our people living under the poverty line. This means that we continue to move toward our goal, namely the realization of a comprehensive welfare system for all Indonesian people. On the other hand, we are also aware of the fact that there is a wide gap in the progress achieved by each region in our country, especially between the western and eastern part of the country. We must pay greater attention to the development of backward regions because problems tend to grow in such regions. In the coming years, we will step up autonomy, decentralization, deconcentration, and deregulation in various fields so people can develop creativity and initiative in organizing and arranging their own region's household. Our policies basically consist of allowing people to exercise their rights.

Fellow countrymen, when we look at our progress this year, we are confident we will be able to face next year's challenges and seize any available opportunities. The year 1992 will be a very important one for our national life. There are three main tasks ahead: namely the holding of general elections, the Nonaligned Movement summit, and the People's Consultative Assembly session to deliberate the outcome of the general elections.

The coming general election is very important in rejuvenating our national life. We will have new members of the People's Consultative Assembly, who will present ideas, plans, initiatives, and policies for the next five years and elect a new president and mandate holder, who will be authorized to carry out the 1993 Great Outlines of State Policy. The election constitutes a very important political institution for our nation in general and our younger generation in particular. The entire national leadership, who are in the government service or in society, should prepare our younger generation so they have a high level of national awareness and understand their rights and duties. During the election campaigns, group fanaticism in any form must be prevented from emerging because it will only cause division within the nation.

We must indeed pay attention to the promotion of the national awareness because it is the very spirit of our nation. As I said earlier, other countries' experiences show that neglected national awareness will cause division within a nation and even bring about its downfall.

Fellow countrymen, our struggle to achieve a better standard of living is part of the struggle of Third World countries, the majority of which were born after the Second World War. Our main problems are basically the same as those faced by other Third World countries, namely, how to fight backwardness and poverty. Our aspirations are also basically no different from their own aspirations. Therefore, besides maintaining fair cooperation with industrialized countries, we must strengthen cooperation with the developing countries. We have so far done it and will continue to do it through various international forums and organizations. We hope we will be able to turn the upcoming Nonaligned Movement summit in 1992 into a forum of cooperation among Third World countries with a view to creating a better world for the sake of progress and prosperity of Nonaligned Movement members in particular and all human beings in general.

Fellow countrymen, before the end of this year, we can say with a sense of relief that we have passed through 1991 safely with our national resilience getting stronger

despite the trials and tribulations we have faced. Therefore, we would like to extend our deepest gratitude to the Almighty God. However, with a deep sense of sorrow, we also acknowledge that we did suffer an unexpected tragedy known as the 12 November Dili incident. I will not talk a lot on this incident because we already know all aspects of the incident through the report submitted by the National Investigation Commission which I have set up. On this occasion, I would once again like to extend my deepest condolence to all East Timorese families whose innocent members have died in the incident. I also want to express my feelings of concern for those families in our youngest province, whose members may not have returned home by now. We must learn many lessons from this tragedy. To correct all past mistakes, I would like to urge all government officials, Indonesian Armed Forces personnel stationed in the province, as well as ordinary people there to resume the development efforts in East Timor. The physical and spiritual welfare of the East Timorese people should be the main focus of our attention in the future. Such welfare also become our main hope when we usher in the 1992 new year. With hard work and the blessings of the Almighty God, we believe that our hopes will come true.

I would like to wish all Indonesian people, youths, and children throughout our motherland a happy new year. Thank you. Peace be upon you.

Russia, Other Commonwealth States 'Recognized'

BK2812155691 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 28 Dec 91

[Text] The Indonesian Government today welcomed the formation of the Commonwealth of Independent States and extended its recognition to the Federation of Russia, which had replaced the USSR. In its press release in Jakarta today, the Directorate of Foreign Information Service of the Foreign Affairs Department said the recognition of the Federation of Russia was conveyed in a letter written by Foreign Minister Ali Alatas to Andrei V. Kozyrev, foreign minister of the Federation of Russia, through the Indonesian ambassador in Moscow. The letter stated that on behalf of the Indonesian Government and people, Foreign Minister Ali Alatas expressed his hope that friendly relations and mutually beneficial cooperation between the two countries would continue.

As such, the Indonesian ambassador in Moscow is to serve as a representative of the Indonesian Government to the Federation of Russia effective 28 December 1991. The press release added the Indonesian Government had also recognized 10 other members of the Commonwealth of Independent States, namely the Republics of Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenia, Uzbekistan, and Ukraine.

Minister Analyzes 1991 Political, Security Issues

BK2912110391 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 29 Dec 91

[Text] Coordinating Minister for Political and Security Affairs Sudomo said there were four issues in 1991, which could be viewed as disturbances to the implementation of national development. The first disturbance was of a subversive nature, which included the Aceh GPK [Security Disturbance Group] and the Fretilin GPK [Revolutonary Front for Independent East Timor]. Sudomo made the remarks to reporters in Jakarta yesterday in his year-end analysis of the political and security situation, adding that the subversive disturbance was related to efforts to change the state ideology, destabilize the country, and [words indistinct].

The second disturbance was related to interactions between the government and the public, and among members of the public themselves on a number of issues, including land disputes, environment pollution, gambling, and the state lottery.

The third and fourth issues were health and natural disasters. As for labor strikes, the minister said they are not against the law as long as they are held in an orderly and responsible manner.

Urban Security Team To Counter Aceh Separatists

BK0201091592 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 2 Jan 92

[Text] Security authorities in Aceh have established an urban security team in Lhokseumawe, North Aceh, to anticipate possible disturbances following a further improvement in the security situation earlier threatened by the Security Disturbance Band [official term referring to the Free Aceh Movement, which is fighting for an Islamic state in Aceh Province] in Indonesia's largest industrial zone. Opening a training course for workers in Lhokseumawe, Infantry Colonel Syarwan Hamid, commander of Military Precint Command 001/Lilawangsa, said that the urban security team was established to detect and prevent various possible security disturbances as quickly as possible. He said that the urban security team was expected to counter overt and covert attacks by the enemies in six monitoring stations in the area as soon as possible. He urged citizens to directly help the urban security team by giving information to officers on duty.

Civil Service Reform Team Arrives in E. Timor

BK0201104492 Jakarta ANTARA in English 0956 GMT 2 Jan 92

[Text] Dili, Jan 02 (OANA-ANTARA) - An eight-member team of the Home Affairs Ministry led by Rafiudin Hamarung, head of the Organization Bureau of the Secretariat General of the Home Affairs Ministry arrived here on Thursday to conduct civil service reforms.

The team was set up by Home Affairs Minister Rudini on the basis of a presidential decree to respond to the November 12 incident in Dili.

Before starting its activities, the team will hold a meeting with East Timor Governor Mario Viegas Carrascalao to collect first-hand information on the incident which, according to the National Investigation Commission (KPN), led to the death of around 50, Rafiudin said.

Asked whether the team will take measures against state officials believed to have been involved in the incident, Rafiudin refused to comment.

Meanwhile, Governor Carrascalao said he was prepared to provide the team with information on state officials, especially who are in charge of development, administration, and social affairs.

Exressing the hope that the team would be able to select carefully information from the public, Carrascalao said: I cannot probe the involvement of officials in the bloody incident in the Santa Cruz grave as I am not an eyewitness.

Retired General Urges Replacing 'Political Elite'

BK0201102092 Jakarta THE JAKARTA POST in English 23 Dec 92 p 1

[Text] Jakarta (JP): A retired military leader advises the younger generation to correct the New Order government constitutionally.

Gen. Sumitro told a youth gathering here over the weekend that the present political elite should be replaced because it had become the captive of the old political pattern.

"They would not make any reformation," the former commander of the now defunct Kopkamtib national security agency said in a seminar on youth, politics, and morals.

The seminar was organized by the Catholic Association of University Students (PMKRI).

"I want to see the end of the old-style politics," he said. "At the beginning of the New Order, we corrected the Old Order totally, including the lifelong national presidency. But we committed a great mistake then because we did not decide that a president could only be re-elected once."

On the other hand governors and regents are limited to only two terms, he said.

The retired general said that after 25 years it was high time to reform the present government. Citing an example from the military, Sumitro said that its doctrine was reviewed every five years. "It is the right of the younger generation, not the older one, to introduce reform," he said.

But he warned the youth not to resort to violence. "Do it constitutionally."

He said the older generation should stand back, to give way to the youth.

He also said that those in power had no right to claim they were successful. "Let the people judge their performances," he said.

Sumitro said that in the beginning the New Order had to give priority to efforts to solve security problems and this had forced it to try political engineering. This affected the democratic system, he said.

The engineering included the provision of unelected parliamentary seats to the Armed Forces and policy that Golkar [functional group] had to win with an absolute majority. [sentence as published]

He said the engineering should end.

He said that lately feudalism, which was forgotten during the revolution, had been revived. Now the people had lost the courage to say "no" to any policy put forth by the government.

Laos

Peacekeeping Delegation Visits Thailand 23-26 Dec

BK0101121392 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 1 Jan 92

[Report on activities of the delegation of the Lao-Thai General Border Peacekeeping Coordination Committee during a visit to Thailand from 23 to 26 December]

[Text] Beloved listeners, as reported earlier, implementing the agreement reached by the governments of the two countries to set up the General Border Peacekeeping Coordination Committee for Laos and Thailand, the delegation of the Lao-Thai General Border Peacekeeping Coordination Committee led by His Excellency [H.E.] Lieutenant General Choummali Saignason, national defense minister of the Lao People's Democratic Republic [LPDR] and Lao cochairman of the committee, attended the first meeting of the said committee in Bangkok, the Kingdom of Thailand, from 23 to 26 December 1991.

On the first day—23 December—at 0830 the Lao side's joint committee delegation arrived at Don Muang Airport by special plane, where it was welcomed by Air Chief Marshal [ACM] Phisit Salikhup, military chief of staff representing the military supreme commander of Thailand, and several high-ranking military officers with an honor guard.

At 1100, ACM Phisit Salikhup accompanied the motorcade of the visitors to the Military Supreme Command to pay a courtesy call on H.E. General Sunthon Khongsomphong, chairman of the National Peacekeeping Council [NPKC] of Thailand, and Gen. Itsaraphong

Nunphakdi, deputy army commander in chief and minister of interior, who chatted with Brigadier General Siangsom Kounlavong, deputy interior minister of the LPDR. During the courtesy call, H.E. Lt. Gen. Choumali Sai-gnason and H.E. Gen. Sunthon Khongsomphong intimately chatted with each other under an atmosphere of brotherliness and neighborliness. The meeting greatly pleased the Lao side's delegation. The courtesy call on Gen. Sunthon Khongsomphong lasted until noon after which the delegation left and checked into a guest residence.

At 1300, H.E. Lt. Gen. Choummali Sai-gnason and his party paid a courtesy call on Gen. Suchinda Khraprayun, Thai military supreme commander, army commander in chief, and NPKC vice chairman, at the Military Supreme Command.

At 1400, the delegation paid a courtesy call to Gen. Wimon Wongwanit, deputy minister of defense of Thailand.

Wherever they visited, H.E. Lt. Gen. Choummali Sai-gnason and his party were accorded an intimate welcome by the hosts under an atmosphere of mutual understanding. The hosts and the guests expressed satisfaction with the existing relations between Laos and Thailand, especially those between the Lao and Thai armed forces which always act as active parties for the two countries in trying to peacefully settle any border problems between them.

On the evening of the same day, ACM Phisit Salikhup hosted a warm reception in honor for H.E. Lt. Gen. Choummali Sai-gnason and his party.

At 0930 on 24 December—the second day of the activities of the delegation of the Lao side's joint committee—the first meeting of the Lao-Thai General Border Peacekeeping Coordination Committee was officially held at the second floor of Building No. 608 of the Military Supreme Command with H.E. Lt. Gen. Choummali Sai-gnason as cochairman of the Lao side and H.E. Gen. Suchinda Khraprayun as cochairman of the Thai side. The Joint Military Committees of the two sides which acted at their respective secretariats also attended the meeting in full. After the cochairmen of the two sides had delivered their opening speeches at the meeting, the participants on both sides studied together the contents of the meeting agenda of mutual interest. The conversation which was conducted by the two sides on the basis of mutual understanding and trust was aimed at transforming the existing relations between the two armed forces into cooperation efforts to keep peace along the common border with a view to turning it into a border of genuine peace and friendship. The meeting finally reached agreement on many issues to become a basis for the second meeting which will be later held in Vientiane capital.

The meeting was adjourned at 1100 after which the joint minutes of the meeting were signed. After that, H.E. Lt. Gen. Choummali Sai-gnason and H.E. Gen. Suchinda Khraprayun held a joint press conference to inform the Thai media of the outcome of the meeting, stressing that the success was a common victory accomplished by the two armed forces in reaching an agreement on various issues, thus creating favorable conditions for the peoples along the border to develop further contacts.

On the evening of the second day, H.E. Gen. Suchinda Khraprayun hosted a warm reception in honor of H.E. Lt. Gen. Choummali Sai-gnason and his party.

On 25 and 26 December after the meeting had ended, the Lao side's committee was invited to pay a sight-seeing trip to Phatthaya and to visit a new industrial zone at Map Taphut in Rayong Province, eastern Thailand, where they were taken on a tour of the oil and natural gas refinery and the national petrochemical plant of Thailand. At each place where the delegation visited, it was warmly and intimately welcomed by authorities and workers concerned. The delegation was later lodged for an overnight stay at the Tawan Ron Beach Resort in Phatthaya and attended a dancing performance of the Alcazar Dance Troupe during the night. The Lao side delegation was very pleased with the entertainment and hospitality extended by the Thai side.

At 0900 on 26 December, H.E. Lt. Gen. Choummali Sai-gnason and his party left the Tawan Ron Beach Resort for U-Taphao airport to catch a flight back to Don Muang airport.

Upon its arrival at Don Muang Airport, the Lao delegation boarded a special Lao aviation plane while an honor guard saluted it. The delegation was seen off at the airport by Gen. Wichit Sukmak, deputy military chief of staff representing the Thai military supreme commander, and a number of high-ranking military officers. Bounkeut Sangsomsak, LPDR ambassador extraordinary and plenipotentiary to the Kingdom of Thailand, was also on hand to bid farerwell to the delegation.

Philippines

Abadia Says U.S. Keeping Withdrawal Plan Secret

HK0201032492 Manila BUSINESS WORLD in English 2 Jan 92 p 8

[By Ma. Caridad S. Bautista]

[Text] Although admitting that it is still speculative at this point, Defense Secretary Renato S. de Villa said yesterday the fate of Subic Naval Base can still change under a new administration.

In an interview with reporters, he said, "No one knows what is going to happen when this administration bows out and the new administration comes in."

What is certain, he said, is that part of the one-year withdrawal period for the United States forces falls under a new administration. "That is one that is certain," Mr. de Villa said.

The Aquino Administration served the United States Government last Tuesday a notice of termination for the 1947 Military Bases Agreement (MBA). This gives the Americans one year—or until the end of December 1992—to pull out their forces and equipment from the Philippines.

Defense Undersecretary Felicisimo Gacis, member of the Philippine base panel, when interviewed by newsmen yesterday said, however, the bases issue is now a dead issue.

Although he declined to comment when asked on the possibility that the U.S. will negotiate with the new administration for another basing [as published] agreement, he said it would be very hard to do so since it would entail so much time.

As this developed, Armed Forces of the Philippines [AFP] chief of staff Gen. Lisandro C. Abadia said the Americans are being secretive about their withdrawal plans.

The AFP, along with the Department of National Defense, has been tasked by the President as one of the lead agencies (the other being the Department of Transportation and Communications) to ensure control of the withdrawal arrangement. Mr. de Villa explained that as of the moment, their role is essentially "to take care of it for the meantime."

The defense chief said securing the base will become a necessity as soon as the Americans pull out.

Gen. Abadia said the U.S. should now have a definite withdrawal plan since the Philippines has already served them a one-year termination notice. "We looked at the withdrawal plan of the U.S., sabi nila hindi pa sila (they said they were not yet prepared). Now it's one year (notice of termination), they should have a plan," Gen. Abadia told reporters in an interview.

He said he was not aware of U.S. plans to withdraw before December, adding, "They are very secretive about their plans."

But Mr. de Villa said the Americans indicated to him during the withdrawal talks that they would want to start pulling out after June this year.

He told reporters, "We have not actually received any withdrawal plans from them... although they indicated that after the end of their schoolyear in 1992 they will close down their dependents' schools... have the children and the families go somewhere else."

He emphasized all moves hereon will come from the United States. "It is with the new year that we will probably see how they will go about it."

He said since one year has been laid out for their withdrawal time, it is up to "them to plan it out and executive it."

Editorial Says U.S. Should Honor Base Notice

HK0201055492 Manila PHILIPPINE DAILY INQUIRER in English 2 Jan 91 p 4

[Editorial: "A New Friendship"]

[Text] Washington says it will pull out from Subic Naval Base by year's end. And Malacanang says it should, which is what the notice of withdrawal is for. But don't be surprised if the people who've worked long and hard to pry the U.S. bases loose from Philippine soil don't reach for the champagne.

It's not that they're paranoid, or don't like champagne. Or if they're paranoid, they've every right to be. If the history of Philippine-American relations shows anything, it's that the American word is like a debt written on water—lista sa tubig. You can't collect on it.

Certainly, it doesn't help that the American side wanted a new lease for Subic in the withdrawal talks, in utter defiance of the Philippine Senate's decision not to ratify a new treaty. Washington, in the form of Richard Armitage, has said repeatedly it would take back its bases the very instant the Filipinos say they do not want them. Well, the Filipinos do not want them. They said so last September, in words that are not hard to grasp. Obviously, Washington does not understand English.

If the history of Philippine-American relations shows anything too, it's that there's no dearth of Filipinos who will think nothing of betraying their countrymen. At this late hour, there's a call from Cebu to hold a referendum on the bases, to coincide with the May elections. More than this, we have Franklin Drilon's word that the present government's commitment to terminate Subic is not binding on the next government. We don't know if that is legal opinion or an invitation.

As legal opinion, it says the most remarkable thing. It says that a treaty entered into, or not entered into, by one administration may not be binding on the next. Whereas, a simple transaction, like incurring fraudulent debts, entered into by one administration will always be binding on the next.

What do we need? A Terminator 2 to terminate Subic?

But let us hope for the best, even if we do not lower our guard while at it. The new year begins, which is the best time for hoping for the best. Let us assume that Subic will go at the end of year. Well, it's still not time to bring out the champagne.

Heritage Foundation, a Washington think tank, thinks this is so because the end of the U.S. bases spells trouble for the Philippines—above all economically. It means a "sharply reduced American congressional willingness to be generous with foreign aid." But we remember that the Heritage Foundation also thought anyone other than Marcos would spell trouble for the Philippines. On the very day, the Filipinos kicked him out, the Heritage Foundation was devising plans for a sharing of power

between Marcos and his enemies. As a think tank, it has all the properties of a tank. Well, one out of two....

No, it's not time to bring out the champagne for the reason that terminating the bases is but the first step in a long and painful journey—the journey toward true independence. It doesn't help of course that the government took all day to serve a notice of withdrawal on Subic, even if a decision had already been made to end it. At the very least, it shows the greatest reluctance to buckle down to work in the context of a new reality, the reality of life as a free man. Freedom is only as good as the things you want the freedom for. The termination of the bases freed us from a yoke. Now it must free us for progress.

It's not enough, as the freedom-from-debt groups rightly say, not to pay the debt. You must also know what to use the money for. It's the same thing with sovereignty. It's not enough to affirm it. You must also know how to use it. The Heritage Foundation says the U.S. Congress will not be driven to magnanimity by the Filipinos' actions. But that is a supreme disaster only if you imagine that the Filipinos are tremendously lucky to live the life of beggars. Cutting off the aid from Filipinos may be the best gift Washington will give them this season, if belatedly.

The belatedness has nothing to do with the season. It's just that the aid was never there anyway.

Military To Change After Retirement of Generals

HK0201025592 Manila PHILIPPINE DAILY INQUIRER in English 2 Jan 92 pp 1, 6

[By Fe B. Zamora]

[Text] A revamp in the Armed Forces is expected within the month with the retirement of several generals, it was learned yesterday.

Maj Gen Arturo Enrile, Army chief, said field commanders will also be reshuffled under a unique assignment system adopted by the Army to hasten the defeat of communist rebels.

INQUIRER sources said Brig Gen Federico Ruiz, chief of Southern Luzon Command (Solcom), will resign within the month to run for governor in Aklar.

Brig Gen Braulio Balbas, chief of Western Command (Wescom), will retire in February upon reaching 56, the compulsory retirement age in the AFP [Armed Forces of the Philippines].

A member of the Marines, Balbas is a 1960 graduate of the Philippine Military Academy.

Brig Gen Homer Capulong, deputy chief of Fifth Infantry Division [ID], is also due to retire during the first quarter.

Sources said Brig Gen Cesar Fortuno, chief of 2nd ID, was being groomed to replace Ruiz, while Brig Gen Epineto Logico of the Air Force was being considered to take over Wescom.

Enrile said the Army has adopted a unique system of matching the "personality of commanders to the terrain" in a bid to hasten the defeat of the New People's Army [NPA].

"The best officers will get the worst assignment," he said. The worst assignment refers to the remaining rebel strongholds in Northern Luzon, Panay, and Northwestern Mindanao.

He said there will be "movement" among brigade and battalion commanders as the Army infuses "fresh blood" into the frontline.

The AFP is bracing itself for the homestretch by adopting "fast-track" methods designed to attain "strategic control" over the NPA by June 1992, the deadline set by President Aquino for the military to crush the insurgency.

"There is no such thing as total victory," Enrile said. "But I believe we can hack it in 1992."

A well-thought-out system in assignments matched with the necessary logistics could hasten victory, he said.

Alongside fielding the best commanders, hi-tech equipment, like the U.S.-made night-vision goggles, were being rushed for ground troops.

The goggles would give troops superiority in night combat even in unfamiliar terrain, a commander in Northern Luzon told Enrile last week.

Last year, the AFP acquired brand-new helicopter gunships purchased from the U.S. through the Foreign Military Sales (FMS). Motor vehicles, like the U.S.-made Hummer-type jeeps, were also delivered.

While the NPA strength has been reduced to 16,350 this year, from a high of 25,000 when Ms Aquino took over in 1986, the Army still has to smash rebel strongholds in Northern Luzon, Panay, and the Surigao-Agusan areas in Mindanao.

Gregorio Rosal, a rebel spokesman popularly known as Ka [Comrade] Roger, however, believed AFP claims it has dismantled scores of rebel fronts and can defeat the NPA next year.

"That's an illusion," Rosal told the INQUIRER.

Thailand

Thai Police Arrest Burmese Student Leader

BK3112053091 Hong Kong AFP in English 0526 GMT 31 Dec 91

[Text] Bangkok, Dec 31 (AFP)—A dissident Burmese student leader, who has played an important role in campaigning for democracy in Burma from here, faces deportation after being arrested with five colleagues, police said Tuesday.

Thiha, chairman of the Overseas National Organization of Burma (ONSOB) was arrested on Thursday in a rented apartment in Bangkok and charged with illegally entering the country.

His five colleagues are also charged with illegal entry.

Police deny the arrests were politically motivated, saying they had received complaints from the students' neighbors who said they were a nuisance.

The six, if found guilty, could either be deported or put in a "safe camp" being built at a border to provide shelter for Burmese students.

Thiha has spearheaded several pro-democracy campaigns here, calling for pressure to be put on the Burmese junta to hand over power to an elected civilian government.

Consulate To Be Opened 'Soon' in Vietnam

BK0201034492 Bangkok Radio Thailand Network in English 0000 GMT 2 Jan 92

[Text] Thailand will soon open a consulate in Ho Chi Minh City in Vietnam in the phase of expanded economic, trade, and investment cooperation between the two countries.

The setting up of the Thai consulate in Ho Chi Minh City was approved by the Cabinet early this week as proposed by the Ministry of Foreign Affairs.

The new Thai consulate will be located in the area where the former Thai Embassy to Saigon was situated.

The Thai consulate in Ho Chi Minh City will serve as a center for publicizing and collecting information on Thai-Vietnamese trade and economic ties. It will give advice for Thai business people to facilitate their investment in that country.

In addition, the Thai consulate will help in the Thai-Vietnamese cooperative ventures in their countries following efforts by the Thai Government to turn Thailand into the economic center of Southeast Asia.

Suchinda Interviewed on Politics, Army Policy

BK0201151992 Bangkok THAI RAT in Thai 2 Jan 92 p 3

[Interview with NPKC [National Peacekeeping Council] Vice Chairman General Suchinda Khraprayun by THAI RAT political staff; place and date not given]

[Text] [Thai Rat] What is the policy for the Army in 1992?

[Suchinda] We have already announced the policy on troop reduction. The army realizes that there are fewer problems to do with security threats and disputes, and that there is a trend toward military reduction everywhere. Although we have heard nothing along these lines from our neighbors, we are still keeping to our plan on troop reduction. Anyway, this will not be carried out in a rush, but may be spread over a period of five years. We will start with reducing the number of recruits, of regular forces. This will start in 1992. In addition, there will be a reduction of units. For example, an infantry regiment will have only three battalions from now on. The regiments wilh four battalions will have only three now. Concerning the rangers, there will be no reduction and no increase. Because of the reduction in forces, the Army must be prepared in other aspects, such as in weaponry, and high mobility. At present, we are still short of military hardware, such as military trucks, GMC vehicles, and jeeps. We still need about 4,000 to 5,000 such vehicles. We will have to improve our capability in that area.

Our policy of streamlining troops will contribute to the national economy. For example, if we recruit about 10,000 troops less, those men can be hired by the labor sector and can contribute to economic development. Anyway, we must be prepared in national defense. How should we be prepared when we have a smaller army? Well, we need to have a better reserve force. We must improve the training for our reserves, such as the territorial defense students. In the past, we had only 20 rounds of ammunition for training a student each year. Now we will use 200 rounds for each student in order to improve the skill of our reservists so that, when they are called up for service in time of need, they will need only a short time for training. This is our policy. We are cutting down on our strength but not to the point of risking ourselves. We will maintain our capability in the speedy mobilization of our forces and the high mobility of our weaponry. And that means we will have to keep our budget at the previous level. This could puzzle others who might think why should we always need a large budget since the army is smaller now. In fact, the Army has never had a big enough budget.

[Thai Rat] How many years does the Army need to achieve a full preparedness?

[Suchinda] There is no country which has an army with a hundred percent full capacity. The army has a defense role. In an emergency, the army will do its duty by using

whatever it has as a force to protect the country while trying to find other sources for economic funding to increase its strength to the level needed to defend the country.

[Thai Rat] How does Thailand's military look at the present world situation?

[Suchinda] Well, we think there should be no threat of a major war. There used to be two camps in the world, the communist camp and the free world, and thence the arms race between the two camps. Now, with the disintegration of the Soviet Union, there is no longer a country opposing the free world. A conflict between two camps that could trigger off a major war has disappeared. In Europe, there will be an integration of countries to the point of adopting a single monetary system in two or three years time. There is therefore no risk of a war among European countries or between Europe and other countries. The only region which remains problematic is the Asia-Pacific region, where a genuine peace is still to be achieved. The same with the Middle East. Clashes could be possible where countries are still vying to be boss of the region—India, China, Indonesia, Japan, Australia, and so on. Rivalries for supremacy in the region are what concern us. We cannot be sure that there will be peace in this region as in other parts of the world. This is our concern. Besides, the collapse of communism in Europe, especially of its big boss in the Soviet Union, tends to make people think that there is no more communism. But in this region, we still cannot figure out what directions will be taken by China, Vietnam, Laos, or Cambodia. China still has not stepped down. It is impossible to expect China to break away from communism. The more it sees in Russia, the more careful China will be. China will try the best it can in order to prop up communism. Vietnam will turn toward China since it can no longer depend on the Soviet Union. This will have an impact on Thailand. Vietnam and China will turn to each other. We have already seen an improvement in relations between Vietnam and China. Concerning Laos, which has good relations with Thailand, with their big brothers, Vietnam and China, always loyal to communism, pro-communist Lao leaders will always have to uphold the slogan of strengthening the alliance among Laos, Vietnam, China, and Cambodia. Anyway, there is a smaller chance for an open aggression in this region. What could happen are conflicts of interests involving problems of overlapping maritime borders—between Thailand and Cambodia, Thailand and Vietnam, Thailand and Malaysia, Thailand and Burma. The problems could develop into frictions, but it is unlikely that they would lead to a major war. I don't think so. Anyway, there is always a need to build our military power because we will have to depend solely on our own strength, and not on the help of others, should we have any conflict of interests with our neighbors.

[Thai Rat] What would be a wise policy to adopt, given the situation surrounding us is as described?

[Suchinda] Every country has the same policy—that of making friends. We also want to build friendship and forge good relations will other countries. But don't forget that military strength plays an important role in relations with other countries. We won't have the bargaining power if we are weak militarily. It would be like a child talking to a grown-up. No matter what the grown-up said, the child would only have to listen to him. Military strength is needed to back up negotiations. Although there is no open aggression, military and economic strength is what a country should always have to back up its position. Well, we are trying to forge good relations with all countries. But we cannot rule out the possibility of conflicts of interests with others.

[Thai Rat] Now let us talk about domestic politics. Are you satisfied with the situation since the NPKC took power? How do you see the country?

[Suchinda] I think we are satisfied with it to a certain extent. I have always said that it is impossible to focus solely on the achievements of the NPKC since we have not done the same things as were done after previous coups. We have not held on to power and been the government running the administration by ourselves. After staging the coup, we appointed a government to be in charge of the administration. A judgment on us should be based on the performance of the government appointed by us—whether it is a good government, and whether it has properly carried out the guidelines given by us. In fact, we only gave it guidelines, and over the past 9 months there has been no conflict between us. We may have had different opinions, but in the end we have managed to reach a compromise. There have been no achievements by the NPKC because all the work has been done by the government.

[Thai Rat] Are you satisfied with the government's performance, and to what extent?

[Suchinda] I should be happy with it since the government has been given such a short time. The government itself realized that the time given it is very limited. We have assigned it policies to be implemented—changing rules and regulations which were responsible for economic backwardness and changing whatever is impossible through the political system owing to the fact that politicians will have to listen to those people who vote for them. Well, sometimes this is not right. For instance, we want to raise taxes. No government would do this since this means hardship for the people. But we'll have to do it since this is necessary. Well, we assigned the government to carry out the measure since it is impossible to seek changes through the National Assembly. So we'd better do it now. This is what we wanted to do, and I think that the government has made considerable achievements. Also, there have been many other things we assigned to the governement in which it has failed.

[Thai Rat] What are they?

[Suchinda] There is still an antigraft bill to be enacted. There are bills concerning vote-buying, and so forth and

so on. Another issue concerns the election of university boards. We do not subscribe to the election of university rectors. No country in the world adopts this practice since it places the rector under the influence of the staff, employees, students, and lecturers, and how could a university rector perform the duty of an executive under such conditions?

[Thai Rat] In addition to the antigraft bill, are there any other things the NPKC wants to do?

[Suchinda] There are many more—the traffic as well as all the other problems we see now.

[Thai Rat] What was the reason for a general thinking that the NPKC and the government have been on a different course, that they were speaking a different language, that they have some sort of conflicts?

[Suchinda] That was not true. We were misinterpreted by newspapers sometimes. It is true that the prime minister personally did not like the military. That was what he himself said a long time ago—when we were working together in Washington D.C. He said that he never liked soldiers, but it happened that he married the daughter of a soldier. It was half a joke, half true. This kind of thing involves personal thinking. We may not think the same way, but that does not mean we have to have conflicts at work. If there were a conflict between the NPKC and the government, we could always sack the prime minister. Isn't that true?

[Thai Rat] Well, the prime minister made statements many times which are different from the line adopted by the military. This made the people think there were conflicts. For instance, when he talked about the constitution.

[Suchinda] We have a different job. The NPKC did not draft the constitution. It was drafted by the constitution drafting committee. So how could people say that the NPKC was in conflict with the government over the constitution? When the prime minister said he did not approve the draft, it means he did not agree with the drafting committee, and had nothing to do with the NPKC.

[Thai Rat] In short, you mean that there has never been a problem between the NPKC and the prime minister

[Suchinda] There is no problem.

[Thai Rat] The NPKC has intended to tackle the country's problems. What issues do you think have been resolved and what issues still remain unresolved?

[Suchinda] Only one important issue has been resolved. It is an issue concerning state enterprise unions. We have taken measures to resolve the others, but have yet to achieve the target. The five conditions cited in the power seizure have been met.

[Thai Rat] Do you think that progress has been made in the suppression of corruption?

[Suchinda] We have set up an assets investigation committee chaired by General Sit Chirarot. But, THAI RAT always criticizes whatever tasks the committee performs.

[Thai Rat] Will the methods of the assets investigation committee effectively deter and prevent corruption in the future?

[Suchinda] It will help prevent the use of gift checks paid to corrupt officials. But cash will be used instead since the use of checks can be traced. Thus, it will be difficult to use gift checks in this regard in the future. Now we still can not trace money in foreign countries. We know that some money is in foreign countries. Newspapers also know this. However, we still can not trace and recover this money. We asked the committee why it could not trace the money. They said that banks in foreign countries will only follow orders from a court. We know that court procedures are time consuming. We have to continue to solve this issue. The committee said that they could not trace such money. The committee has been heavily criticized even though it has traced only gift checks.

[Thai Rat] How are we to think of our country's situation in the future since the problems still cannot be resolved and we are going to hold a general election?

[Suchinda] We remain regretful that there are still no good new developments in politics. We feel that everything is carrying on like before. We still cannot see any new faces who will run in the election. Members of parliament [MP's] will be old faces. However, their methods and role in the parliament might be changed because they may have learnt new lessons. This is a matter for the politicians. We want the mass media to help get the people to understand how to get good MP's. This is an important issue. However, we cannot blame the MP's. The newsapers are also the same. They still like to make sensational headlines. But, people still like reading the kind of newspapers which like to use sensational headlines, such as using the headline: "Suchinda Insults Chatchai." I did not make such a remark, but the newspapers like making sensational headlines because they want to sell their papers well. We cannot blame them. The MP's are also the same. People still like electing this sort of MP.

[Thai Rat] Will the soldiers dare stage another coup if the government fails?

[Suchinda] It is difficult to comment on whether or not the soldiers will stage a coup. In fact, the soldiers do not want to stage a coup. But, as it is, the military is the only organ that has the capability of solving problems. We will be blamed if we do not help solve the problems and our country goes backward.

[Thai Rat] On the occasion of the new year, would you like to say anything to the people and politicans.

[Suchinda] I cannot say anything much. However, we hope that the most important thing for the country will

be the economy—the well-being of the people. If the people have good living standards, there will be fewer problems. For example, Her Majesty the Queen is very concerned with the well-being of the people. When she visited the United States, she was deeply concerned over the image of Thai women in foreign countries, because a few Thai women have damaged the country's image. The problem can be solved only when the economic situation and the well-being of the people improve. A good economic situation depends on political stability. Thus, what we need is how to let political stability proceed smoothly. Thailand has the basis for a good economy. But a good economy will come from political stability. What we need is a way of getting the politicians and every political party to have good policies that will benefit the country and not they themselves.

[Thai Rat] Are you afraid that an elected government will take revenge against the NPKC and are you afraid of being sacked?

[Suchinda] I am never afraid. We adhere to the principle of life that good deeds will be rewarded with goodness and evil with evil. We believe that we did not commit anything wrong in the past.

Democrat Party Leader Denies Plan for Coalition

BK2912015291 Bangkok BANGKOK POST in English 29 Dec 91 p 3

[Text] Democrat Party leader Chuan Likphai said yesterday his party has not approached any political party to form a coalition after the next general elections.

Mr Chuan's comment is an apparent response to the reported comment by Air Force chief ACM [Air Chief Marshal] Kaset Rotchananin that the Democrat Party is one of the major political parties with a chance of forming the next coalition.

The Democrat leader said that his party cannot begin negotiating political terms with other parties without a party resolution.

Moreover, the party will have to study thoroughly the policy of the parties it is going to negotiate with to make sure that they share the same line.

Mr Chuan said that political parties should listen to the people in charting their political plan and choosing the next prime minister.

"The Democrat Party is not a 'special task' political party. We still have time because we intend to stay in the political scene for a long time. We will assume the role of the government when we are ready and through the proper channels," Mr Chuan said.

The Democrat Party said that it is still early for him to predict which political party will spearhead the move to form the next coalition.

He said, however, the he will be able to make a prediction after all political parties and politicians finish merging parties and moving from one party to another

Meanwhile, former deputy prime minister Bun-ua Prasoetsuwan predicted yesterday that the Chat Thai, Samakkhi Tham [STP], New Aspiration and Prachakon Thai parties are likely to form a coalition government after the election.

Mr Bun-ua, who is a senior member of the Chat Thai Party, said his party hopes to gain at least 60 seats in the forthcoming general election.

"In politics, every political party wants to form a government by itself if its MPs constitute the majority in the House of Representatives. But, in the present situation, the next government is certain to be a coalition," he said.

As the Chat Thai Party originally planned, the coalition would comprise Chat Thai, STP, Prachakon Thai and Democrat parties.

But, after former Interior Ministry's permanent secretary Phisan Munlasatsathon was named secretary-general of Gen Chawalit Yongchaiyut's New Aspiration Party (NAP) it is possible for NAP to replace the Democrat Party in the coalition.

"Social Action Party (SAP) is also a possible partner in every formation of the coalition," said the former Suphan Buri MP.

Concerning the person to assume premiership, the veteran politician said in principle every party wants its leader to take that position.

"But, if it cannot be settled among them who is to be named prime minister, an outsider may be their choice. Outside factors can also influence political parties to chose an outsider for the post," Mr Bun-ua said.

On constitutional amendments, Mr Bun-ua said the Chat Thai Party's stand is to amend some unwanted provisions. But what should be amended must be discussed over again, he said.

On the controversy over who between the National Peace-keeping Council chairman and the House Speaker is to nominate the prime minister, Mr Bun-ua said the House Speaker should be given this important role.

Meanwhile, a Chat Thai Party source said former party leader Gen Chatchai Chunhawan is unlikely to run in the next election as he has been asked by party members to remain only as the party's highly respected figure.

NAP Leader Ready To Name 'Shadow Cabinet'

BK3012043591 Bangkok THE NATION in English 30 Dec 91 pp A1, A2

["Exclusive interview" with General Chawalit Yongchaiyut, leader of the New Aspiration Party by THE NATION correspondents Somphong Kittinaradon,

Adisak Limprungphathanakit, and Yongyut Pahirat; on 29 December; place not given]

[Text] Gen Chawalit Yongchaiyut, leader of the New Aspiration Party (NAP), said yesterday he is courting "some senior people" to be nominated by his party for the premiership after the March election.

In an interview with The Nation at his Nonthaburi residence, Chawalit said the nominee would be made head of a "shadow Cabinet" his party plans to unveil before the election, scheduled for March 22.

He said his shadow Cabinet comprises key prospective Cabinet members with their specialized fields of responsibility.

"Except for the prime minister, we have all figures ready to take the key jobs in the shadow Cabinet. They would be given specific responsibilities, namely national security, administrative affairs, foreign affairs, economic affairs and science and technology," he said.

He said he wanted to be in charge of national security in the shadow Cabinet.

Chawalit said it was not necessary for the next prime minister to be an MP, but said it would look "better" if the premier was an elected MP.

"It would depend on several factors, including public opinion," he said.

The unveiling of the shadow Cabient is the third in a series of major events which the party plans in the weeks leading up to the polls.

The first phase was the announcement of the party's directions to build up "genuine democracy" at the party's assembly on Dec 22, an event which was overshadowed by the appointment of party director Phisan Munlasatsathon as secretary general, replacing Sqn Ldr [Squadron Leader] Prasong Sunsiri.

Chawalit sought to downplay the uproar caused by Phisan's appointment.

"This is no big deal. There is no rush to settle it," he said, apparently referring to reports that the appointment has triggered a conflict within the party.

Prasong, a former secretary general of the National Secretary Coucil, is a strong critic of the military. His replacement as NAP secretary general has given rise to speculation that Gen Chawalit was trying to appease the military.

In mid-January, Chawalit said NAP planned to unveil its platform, the second phase of its strategy, to deal with major problems facing the country.

"The fourth will be the announcement of the party's candidates. The fifth phase will be a decisive one," he said but declined to elaborate.

Chawalit, the former army commander in chief, also denied that his party had plans to form a government after the election with the Phalang Tham and Solidarity parties.

"Our party has never said who we would join with and who we would not in forming the next government. We're keeping all options open and we are treating all parties as friends now," he said.

Even though the Samakkhi Tham Party is seen as a proxy of the military, Chawalit said: "That's not the problem. It can be anybody's proxy but the key point is whether it wants to serve the public interest like NAP."

Throughout the 90-minute interview, Chawalit did not criticize the generals in the National Peacekeeping Council (NPKC) which seized power in February. Instead he said the generals should be seen in good light.

"The NPKC deputy chairman (Gen Suchina Kraprayun) has already said that the NPKC has failed in achieving anything concrete after 10 months. This reflects that he has finally taken all my warnings," he said.

Chawalit himself strongly criticized the NPKC shortly after the Feburary coup and warned the coup-makers of problems they would cause for the country.

Asked whether he had recently contacted Gen Suchinda, who succeeded him as army commander in chief last year to patch up their differences, Chawalit said, tongue-in-cheek: "We communicate through telepathy. What he said (in a recent interview with THE NATION) is clear enough, isn't it?"

Though Chawalit had been tipped as a candidate for premiership, he has been having an uneasy relationship with the military leadership which will continue to exercise condsiderable control over future politics.

Chawalit, who claimed to have covered about 240,000 kilometres on his campaign trail, said wherever he went people told him they would like to see him become prime minister so he could solve their problems.

But he said: "It's not necessary for me as NAP leader to be prime minister. Anybody will be fine if he is acceptable to all parties concerned."

Denying he had ambitions to become prime minister, Chawalit said: "If I have to choose between becoming prime minister and serving the people better outside that top post, then I will take the latter choice," he said.

Chawalit estimated that 80 to 100 candidates of his party would win seats in the House of Representatives.

The latest estimate was sharply different from his ealier aim of winning 181 House seats. At one point in recent months, Chawalit came up with the slogan "181 Attack" in what his rank and file interpreted as his confidence then that the party would sweep a majority of seats in the House.

But Chawalit yesterday described the slogan as only a gimmick to give the party members the morale to fight in the polls.

"181 is our supreme target which we hope we would ultimately achieve," he added.

Chawalit refused to name the "senior people" whom he said he had asked to be NAP's nominees for the premiership. But he said none of them had given a positive response yet.

"Believe me, I have visited a number of senior people. But they have so far refused the offer. They said to me: You should take up the challenge yourself," the NAP leader said.

Chawalit said his party would field 200 to 300 candidates in the election.

"We will probably field about 60 former MPs and about 200 new faces in the election," he said.

His party's original plan was for half of its candidates to be former MPs and the other half newcomers.

Chawalit said he had heard many party supporters voice suspicions that his party was probably disowning the policy of fielding only good candidates, thus becoming just a "chip from the old block".

Chawalit claimed that his party has sought to distinguish itself from others by announcing a plan to create a new generation of politicians with new political thinking and the aim of establishing a healthy political environment and system.

He said that not all existing politicans were corrupt.

"Everybody has good and bad sides. I believe all want to do good things but they are forced by the system to display their bad sides," he said.

He added that his party was ready to recruit former MPs who could be "remoulded" to share the party's aim of serving the public.

"It's up to the people to decide," Sombun said on his chances of winning.

Sombun, the former managing director of the Airports Authority of Thailand, repeated that if the Chat Thai Party won as many as 180 seats he was ready to become prime minister.

Watthana insisted that Ratsadon Party, one of the parties in the last Chatchai coalition, will not be dissolved though many of its key members are abandoning it.

He said 12 of the 23 former MPs of Ratsadon Party are leaving to join Chat Thai. Watthana said he is still acting secretary general of Ratsadon Party.

Chat Thai Leader Announces Election Candidacy

BK3012034791 Bangkok THE NATION in English 30 Dec 91 p A3

[Text] ACM [Air Chief Marshal] Sombun Rahong, leader of Chat Thai Party, last night formally announced he would run in Samut Prakan in the March election.

His candidacy was unveiled during a birthday party for the mother of veteran politician Watthana Atsawahem. Watthana, a businessman and a former deputy interior minister, is leaving the Ratsadon Party to join Chat Thai.

Watthana has a strong political following in Samut Prakan and hopes to help Sombun ride to victory on his coattails.

Five Leaders of Thai Communist Party Surrender

BK2912015891 Bangkok BANGKOK POST in English 29 Dec 91 p 4

[Text] Phatthalung—Five leaders of the remnants of the Communist Party of Thailand's [CPT] southern branch yesterday publicly declared to end their armed struggle against the Government.

Sathian Sisang, alias Comrade Mun, 57, who claimed holding the CPT's top leadership post in the South, read a statement on behalf of all CPT leaders declaring an end to the armed struggle to a crowd of about 6,000 in front of the city hall in Muang District in the presence of some 100 former insurgents.

The event was witnessed by Phatthalung governor Somphong Siyaphan, Fourth Army representative Maj-Gen Somchet Chuntinan and representatives of 13 other provincial governors in the South.

Maj-Gen Somchet said a total of 259 CPT insurgents will officially hand over their weapons to the authorities in Surat Thani province in a ceremony to be presided over by Fourth Army commander Lt-Gen Kitti Rattanachaya.

Vietnam

Vo Chi Cong Sends New Year's Message to Nation

BK0101090792 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 31 Dec 91

[New Year's message from State Council Chairman Vo Chi Cong to compatriots at home and abroad—date not given]

[Text] Dear compatriots and combatants: On the occasion of the New Year, I would like to extend my kind regards and warmest greetings to all compatriots, workers, peasants, intellectuals, cadres and combatants of the Armed Forces, disabled and ailing soldiers, veteran cadres, families of fallen combatants, families having rendered services to the revolution, as well as to

our elders, youths, teenagers, children, people of all nationalities and religions, and compatriots residing in foreign countries.

Last year, against a backdrop of many complex changes in the world and ordeals in our country, our people and combatants throughout the country were able to overcome part of the serious difficulties to firmly maintain political stability and ensure economic development, thereby contributing to the process of peace, friendship, and cooperation in the region and the world.

The highly important achievements that we have recorded in the process of comprehensive renovation prove that our people are capable of quickly bringing their homeland out of the socioeconomic crisis, gradually making themselves prosperous and their country powerful, and steadily advancing along the socialist path outlined by the party and esteemed Uncle Ho.

On behalf of the party and state, I would like to warmly commend our compatriots and combatants for the many outstanding achievements they have recorded in national construction and defense, thanks to their ardent patriotism and sense of self-reliance, industriousness, and creativity in their work. I would also like to commend our overseas Vietnamese for their constant attention and positive contributions to the homeland.

On this occasion, I would like extend my sincere thanks to all friendly countries and organizations and individuals in the world for the generous assistance and support they have given to the Vietnamese. I would also like to convey my warm greetings to our foreign friends who are welcoming the New Year in our country.

Dear compatriots and combatants, embarking on the New Year, we have both new advantages and new difficulties. To effect new changes for the country, let our entire people and Army further develop their traditions of patriotism, self-reliance, dynamism, and creativity to overcome all difficulties and ordeals. These traditions should be developed in order to continue accelerating the process of renovation, strengthening and expanding relations with all countries, and applying the resolutions of the seventh party congress to life. Also, development of these traditions will help to successfully carry out the tasks of stabilizing and developing the economy and society in 1992 set forth by the 10th session of the Eighth National Assembly.

In the New Year, let all of our citizens take part in drafting the revised constitution with their intellect and contribute positively to firmly maintaining order and discipline, building a healthy society, and consolidating and strengthening our state.

In the New Year, let our compatriots and combatants throughout the country strengthen unity, vigorously develop all potential in terms of labor and intellect, accelerate production, and practice thrift to help make our people prosperous and country powerful.

Let us embark on the New Year with new efforts and new successes.

My cordial salutations.

Paper Solicits Views on Constitutional Amendments

BK0101145592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Dec 91

[30 December NHAN DAN editorial: "Let The Entire People Contribute Views on The Draft of Constitutional Amendments"]

[Text] Constitution is a fundamental law of the state. Our country has had the 1946 Constitution, the 1959 Constitution, and the 1980 Constitution. The 1980 Constitution institutionalizes the lines of the fourth congress of the Communist Party of Vietnam [CPV]. The domestic and international situation has changed greatly over the past 10 years. Therefore, many points in the preamble and the contents of certain chapters and provisions of the Constitution are now no longer suitable.

After three attempts to revise the 1980 Constitution as decreed by the National Assembly, on 30 June 1989 the National Assembly issued a resolution setting up the Constitution Amending Committee to revise the Constitution fundamentally and comprehensively to meet the needs of the renovation undertaking.

After its 14 plenary sessions, in May 1991 the Constitution Amending Committee solicited the views of high- and intermediate-level cadres nationwide on its first draft of constitutional amendments. Taking into account various opinions contributed, the Constitution Amending Committee rewrote the first draft into the second draft of constitutional amendments and then presented it before the 27 July-12 August 1991 National Assembly session. Afterward, in compliance with a resolution of the National Assembly, taking into account the opinions contributed by National Assembly deputies, and based on those decisions and guidelines of a CPV Central Committee plenum for constitutional amendments, the Constitution Amending Committee rewrote the second draft into the third draft of constitutional amendments to solicit the opinions of the people at large. This is a widespread and important political activity drive aimed at developing democratic rights, pool the people's wisdom, improve the knowledge about law among the people and the sense of responsibility of everyone in building and defending the socialist state.

Satisfactorily organizing the solicitation of public opinions on the draft of constitutional amendments will contribute practically to consolidating the people's administration, broadening democracy, and enhancing socialist legislation.

Through this political activity drive, the party organizations and the administration at all levels, various sectors and various mass organizations should attentively listen to and take into account those constructive opinions

contributed by the people in order to promptly redress those acts violating citizens' democratic liberties and infringing upon socialist legislation while taking specific steps to overcome negative phenomena and concerning oneself with satisfactorily settling those complaints and denunciations of citizens.

All the debates held this time to contribute opinions should reflect the will and aspirations of the people and should be carried out in a truly democratic, open-minded, and frank atmosphere with a constructive spirit of solidarity. It is necessary to make everyone aware of those fundamental concepts already applied in the process of directing the revision of the Constitution. Efforts should also be made to reassert the socialist goal, step up economic renewal, and at the same time firmly achieve political renovation.

To carry out this process, we should rely on the creative application of those fundamental concepts of Marxism-Leninism and Ho Chi Minh's thoughts on how to build socialism to suit the specific circumstances of our country. Therefore, the amended Constitution should be reflective of the nature of our state—a state which is from the people, for the people, and by the people and which takes the worker-peasant alliance and the intelligentsia as a foundation with the Communist Party as its leader.

The Constitution should institutionalizes socialist democracy, decide on those fundamental rights and duties as citizens and those human rights to be respected and protected by law. The amended Constitution should reassert that the CPV is the party that rules over the state and society and that its role and responsibilities are assigned by history, recognized by the people, and confirmed by the constitution.

The party's rule should guarantee and improve the role and the management efficiency of the state. The stronger and more truly effective the state apparatus, the more the party's leading role will be consolidated and improved.

The amended Constitution should thoroughly reflect the system by which the people are its master, the state its manager, the party its leader, and so forth.

All echelons and sectors should firmly get hold of the above fundamental concepts so they can effectively direct the solicitation of opinions at grass-roots units. Especially, efforts should be made to satisfactorily publicize the contents of the third draft of constitutional amendments, organize debates and adopt other forms of activity such as opening letter boxes, holding symposiums, and speaking one's own views in various mass news media. All these are aimed at mobilizing the wisdom of the entire people through the contribution of their views on the amendment of the 1980 Constitution.

A matter of decisive significance for this political activity drive is how to select and train a contingent of lecturers and to assign cadres to direct those debates held to contribute views on the draft of the amended Constitution right from the grassroots. This includes the selection of the moderators and keynoters for various debates.

This time these debates will be held in the early months of the year and will fall right on the Lunar New Year Festival—a period when all echelons and sectors are busy with their work. Therefore, we should guard against acts of overlooking these debates as this may lead to a tendency to do the job haphazardly or just for form's sake.

Together with other mass news media organs, NHAN DAN is prepared to faithfully reflect the results of various debates and those suggestions most suitable to our constitutional construction.

Freedoms, Economic Reforms Praised

BK0201014892 Bangkok THE NATION in English 2 Jan 92 p A2

[Text] Hanoi—Vietnam's new constitution is the only means to guarantee the future of economic reforms and individual freedom, said a top Vietnamese legal expert.

Ngo Ba Thanh, 62, chairman of the law commission of the National Assembly, told THE NATION that the new constitution, which will be promulgated in mid-1992, is by far the "most democratic constitution of Vietnam."

She said the new constitution aims to increase the freedom of the individual and strengthen the rule of law.

The draft of the new constitution was released on Monday to the press and the public. Members of the National Assembly will meet again in April to finalize the draft.

The amendments, which are expected to be completed at the end of this year, were put on hold because of the rapidly changing situation in the now defunct Soviet Union, diplomats here said.

Thanh said that the emphasis of the new constitution was government "by the people."

"Every minister and party member has to be accountable for their actions," said Thanh.

She said while the Vietnamese Communist Party would still play the leading role, its leaders and members would no longer be a privileged class who could do things at will.

"We don't talk about the immorality or morality of the party. Anyone who violates the law will be punished," she said. "Everybody, in or outside the party, is equal before the law. We don't care about party's directives."

"Everything that is not institutionalized by the Assembly is not considered as a law of the nation," she said, adding

that the new constitution would allow honest people with integrity and incorruptibility to work for the common good of the country.

Thanh, a law graduate of Columbia University, is responsible for drafting the new constitution and various laws to ensure a Vietnamese-style of democratic development.

The party, she stressed, can no longer meddle with state affairs. "There is a clear line between the party and the government," she said.

The Council of Ministers will be abolished to trim the bureaucracy and improve the efficiency of the government, she said. For the first time, Vietnam's constitution will recognize a market economy and the role of the private sector.

"Vietnam already has laws on the private sector but not ones concerned with state enterprises," Thanh said.

In a resolution issued last week the assembly said its main goals in the next five years were to control inflation, make effective use of technology and to combat corruption and black marketeering.

Assembly Issues Socioeconomic Resolution

BK3112140791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Dec 91

["Resolution of the Eighth National Assembly's 10th Session on the socioeconomic development tasks for 1992 and the 1991-95 five-year period" passed on 26 December 1991]

[Text] Dear friends,

The SRV's Eighth National Assembly held its 10th Session from 10-26 December 1991. The session issued a resolution on the socioeconomic development tasks for the 1991-1995 five-year period and for 1992.

In the 27 December 6 AM [2300 GMT on 26 December] newscast, we mistakenly broadcasted the resolution before it was official. Now we have the authority from the Office of the National Assembly and the Council of Ministers to read it and we would like to introduce the full text of the official resolution of the National Assembly on the socioeconomic development tasks for the 1991-1995 five-year period and for 1992 as follows:

The SRV National Assembly, by virtue of Article 83 of the SRV Constitution, after examining the Council of Ministers' report on the 1991 socioeconomic situation and the socioeconomic development tasks for the 1991-1995 five-year period and 1992 and after listening to reports of the National Assembly's Economic, Planning and Budget Committee as well as the viewpoints of deputies, hereby resolves:

—To adopt the Council of Ministers' report on the 1991 socioeconomic situation and the socioeconomic development tasks for the 1991-1995 five-year period and 1992. The National Assembly stresses a number of important issues as follows:

I. During 1991, despite being faced with many sudden and acute difficulties, our economy has continued to undergo some positive changes. A number of important production sectors have been firmly maintained and developed and the political and social situation is basically stable.

That is a result of very important meaning, representing our people's great efforts and the effective management by the Council of Ministers, echelons, and sectors. That also proves that the party and state's renovation lines are suitable to our country's conditions.

The National Assembly praises the people from all walks of life, civil servants and workers, and officers and soldiers of the Armed Forces for their striving to overcome great difficulties and challenges in order to carry out the 1991 tasks.

However, the socioeconomic situation is still difficult, even more pressing than before. State management is still fraught with shortcomings, especially in financial, monetary, credit, and banking operations. Moreover, the reorganization of the state-run economy in a market-oriented direction is not being carried out quickly enough to encourage different economic components to strongly invest and develop production.

The lives of workers, civil servants, members of the Armed Forces, retirees, beneficiaries of various welfare policies, people in areas stricken by natural calamities and floods, and ethnic people in the mountain regions still encounter numerous difficulties.

The organization of the state apparatus and the cadre-related tasks are not up to the requirements of the new mechanism, while streamlining of personnel was not carried out decisively.

The inspection and control work is neglected and the effectiveness of law enforcement work is still limited. The situation of violations of state law—especially corruption and smuggling—is prevalent and serious. A segment of the state cadres and personnel has become degenerated, conducting an extravagant and wasteful life, being involved in embezzlement and corruption, and using at their convenience money and property that belong to the state and people. Dealing with cases of law violations is not decisive, timely, and serious enough, and harboring law violators is still occurring. Social order and security are developing in a complex manner while social vices are on the increase.

The National Assembly urges the Council of Ministers to formulate strict measures to resolutely overcome these weaknesses and unfavorable factors when implementing the tasks set for 1992 and the following years.

II. Socioeconomic development tasks and objectives for the 1991-95 five-year period.

In 1992 and in subsequent years, we will be faced with new difficulties as well as new advantages. This is a year of great significance in gradually bringing our country out of crisis for quicker development.

The National Assembly unanimously agrees with those tasks and targets for socioeconomic development for the five-year 1991-95 period which the Council of Ministers had presented before the National Assembly and emphatically pointed out the following main tasks:

1. Continue to contain and dispel inflation, build a unified financial system, and strive to move toward stabilizing the national financial and monetary system.

2. Bring the socioeconomic system gradually to stability; gradually increase the growth rate of the economy and the results of social production; strictly practice thrift; gradually raise capital accumulation in the economy; increase capital investment; concentrate on developing those key sectors, those essential products, and those production and business areas and establishments which may yield quick results and create more employment; build the infrastructure and certain key economic projects; and map out and deploy a program for mountain socioeconomic development.

3. Effetively use and constantly improve the scientific and technological expertise of the country and quickly introduce new technologies into production.

4. Stabilize and gradually improve the material and cultural life of the people. The state should devise a national program for solving the employment problem and encouraging the laboring people to create employment by themselves. It should go ahead with renovating the wage system, better meet needs in education and in cultural and art entertainment, and preserve and increase the people's health with attention to mountain regions and areas inhabited by ethnic groups.

5. Continue to harmoniously renew various socioeconomic management policies, renovate the state administration in various domains—organizational, operational procedures, and personnel management—with emphasis placed on renovating the state's macroeconomic management mechanism and the state-run economic management mechanism.

6. Continue the fight against crimes and other unlawful actions in order to reestablish order and discipline in socioeconomic management in accordance with a resolution of the Eighth National Assembly's fourth session on the maintenance of security and public order and safety while continuing to step up the fight against corruption and smuggling.

7. Consolidate national defense, guarantee security and public order and safety, increase political stability, and broaden international relations.

III. As 1992 occupies a very important position in our implementation of those tasks set for the period until 1995, we should unfailingly effect a change for the better in socioeconomic stability if we are to create an upward momentum for the ensuing years.

In 1992, efforts should be made to achieve the following essential norms:

—increasing national revenue by 4-4.5 percent over 1991.
—raising agricultural production by 3.3 percent over 1991.
—bringing grain ouput to 22-22.5 million metric tons.
—increasing industrial output by 6-7 percent over 1991.
—jacking up export value by 16 percent over 1991.
—raising capital investment to 3,060 billion dong, of which 1,700 billion dong are to come from the budget and 1,360 billion dong from basic depreciation funds.
—reducing the population growth rate to 0.06 percent.

To realize the abovementioned tasks, beginning in 1992 it is necessary to understand and implement the following policies and measures:

1. Contain and dispel inflation and strive to stabilize the national financial and monetary situation. It is necessary to renew the budget revenue and expenditure system in the direction of having the central government carry out unified budget management, to ensure that domestic revenue meets the requirements for regular expenditures and debt payments, to gradually increase capital accumulation from within the economy, and to use all the sources of capital—ranging from loans obtained at home and abroad to the basic amortization fund—to invest in development projects.

We should establish discipline and order in the state financial sector by collecting all kinds of taxes correctly, adequately, and promptly. We should gather all sources of income for the budget, and test-sell the shares of certain state economic establishments in order to draw on experience and to obtain more development funds.

As for the law on home and land tax, the National Assembly hereby assigns the Council of State and the Council of Ministers with the duty of examining and readjusting those irrationalities in the law and all those relevant guidelines for implementation. The Council of State and the Council of Ministers should, with the use of appropriate forms, solicit more opinions from various localities and sectors on this matter and should reschedule the effective date for this law.

Efforts should be made to renovate the monetary, credit, and banking circulation system in accordance with the market-oriented economic system. Striving to stabilize the value of our currency is an important objective to be achieved in the years to come.

2. Exploit the potentialities of all economic components and generate all sources of the country's strength. It is necessay to consolidate the leading role of the state-run economic sector in those key areas of the national

economy; rearrange those state-run economic establishments which are operating at a loss; and develop the industrial, handicraft, and artisan potentials of various economic components under appropriate business formats in urban and rural areas with an emphasis on developing the agricultural, forestry, and marine products processing industry and on expanding the consumer market.

We should renovate our existing agricultural, fishery, handicraft, and small-industry cooperatives in the direction of ensuring the right to mastery of cooperative members, developing new diverse forms of cooperation and promoting family economies.

It is necessary to exercise the policy of granting family households the right to long-term use of land, water bodies, and hilly and forested lands. The state should adopt a policy to protect and assist production, especially to provide materials, buy products, and offer loans to those peasant households which, although having sufficient manpower, do not have enough capital. Specifically, the state should attract manpower and capital to exploit those land areas that still remain fallow in order to plant rice, subsidiary food crops, and fruit crops and to carry out afforestation and aquaculture and so forth.

3. Broaden external economic relations and quickly increase export value. It is necessary to expand the export-import market in keeping with the new situation, carry out the export promotion policy, and closely manage imports, create favorable conditions for attracting foreign investment, and broaden international cooperation. We should rectify export-import organizations, do away with unnecessary intermediary links, carry out unified foreign currency management, and rectify the specification of the length and category for export-import licenses.

4. Efforts should be made to increase and effectively use capital investment. It is necessary to devise a policy to mobilize to the maximum all sources of capital in society in order to vigorously increase investment in production development. The state should invest in building the infrastructure and other key economic establishments. Production and business establishments should increase their capital investment for production and business development through the use of self-generated capital and also through various forms of obtaining loans from inside and outside the country. Emphasis should be placed on making intensive investment, renovating technological equipment, and improving output and product quality.

5. Deploy and renovate the wage system right from the very early months of 1992 with appropriate steps and continue to broaden efforts to basically complete this system by 1993. It is necessary to solve the employment problem in conjuction with efforts to implement various socioeconomic programs in order to create conditions for the people to solve employment by themselves. The state should reserve part of its budget to use in reducing personnel staffing at various administrative and service organs and to create new jobs for the laboring people.

6. Establishing order and discipline in the state admistration and in socioeconomic management in accordance with the law and fighting corruption and smuggling are important and urgent tasks to be implemented in a resolute, drastic, regular, and constant manner.

The Council of Ministers has the responsibility to urgently rectify management work, especially economic management, and provide close guidance for the fight against corruption and smuggling.

Law enforcement organs should fully perform their functions and duties, promptly deal with all violations of the law, and concentrate on neatly settling those major and serious cases of violations.

The Council of State, the Nationalities Council, and all the standing committees of the National Assembly, as well as all National Assembly deputies and members of the people's councils at various levels are dutybound to intensify their supervision over the implementation of the duty to fight corruption and smuggling.

The Fatherland Front and other mass organizations should develop their roles in this struggle.

Press organs and other mass media organizations are dutybound to provide accurate and timely information to guide the public in accordance with the purposes and requirements of the struggle while increasing their vigilance against the enemy's sabotage schemes.

7. Implement the program for renovation of the administrative and judicial system in accordance with the amended Constitution. It is necessary to improve the operational management efficiency of the state apparatus and continue to reduce personnel staffing vis-a-vis the administrative and service sectors, and train and improve the knowledge of and build up the contingent of state employees and cadres of various internal security sectors.

The National Assembly appeals to compatriots and combatants nationwide to become of one mind and join their efforts to develop their tradition of solidarity, self reliance, and self sufficiency and their dynamism and creativity, overcome difficulties, exploit all potentialities and advantages, and strive to fulfill those tasks and targets already laid down, maintain stability in all aspects, and create a momentum for national development for the ensuing years.

This resolution was passed by the Eighth National Assembly's 10th Session on 26 December 1991.

[Signed] Le Quang Dao, chairman of the National Assembly

Success of Session Hailed

BK0201091192 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 27 Dec 91

[From the press review for 27 December]

[Text] Under the title "Heavy Responsibilities of the People's Highest Organ of Power," an editorial in today's NHAN DAN says:

The policy of renovation—laid down by the sixth party congress reviewed and continuously implemented by the seventh party congress—affirms that along with carrying out economic reforms, it is necessary to gradually change the political system in order to increase the efficiency and strength of the state, especially the role of the National Assembly, which is the highest state organ of power in our country.

Regarding the 10th session of the Eighth National Assembly, the editorial says:

In its capacity as the people's highest organ of power, the Eighth National Assembly has promptly adopted decisive policies on the important issues of the country. The resolutions of the National Assembly have contributed to an acceleration of the settlement of various burning socioeconomic issues, thereby partly fulfilling the expectation of the people.

At this session, the National Assembly highly appreciated the efforts and progress of the Council of Ministers in exercising its functions as the highest organ of state and social management and pointed out the heavy responsibilities of the Council of Ministers in face of the weaknesses in socioeconomic management and the present state of indiscipline. It also highly valued the results obtained in the tasks of maintaining political stability and effecting a number of positive changes in the socioeconomic situation.

The National Assembly commended the people of all strata, cadres, workers, civil servants, and members of the Armed Forces for their efforts in surmounting great difficulties and ordeals to fulfill all tasks set for 1991. It also pointed out that in 1992, the socioeconomic situation will remain difficult and in some respects will become even more difficult than in the past. However, there will also be new advantages in 1992 and the ensuing years; these years represent an important period of time for us in which we can gradually bring our country out of crisis and develop it more rapidly.

Along with setting forth urgent tasks, the National Assembly called for joint efforts from our entire people and Army aimed at developing the traditions of solidarity and self-reliance and a sense of dynamism and creativity in the struggle to stabilize and gradually change the situation and create a momentum for new steps in development.

In conclusion, the editorial says:

Welcoming the success of the Eighth National Assembly's 10th session, let us believe that with the sympathy and vigorous support of the people, the efforts exerted and the results obtained by the National Assembly in its recent term of office will produce rapid effects and directly accelerate the successful implementation of all the socioeconomic tasks for 1992 and the ensuing years.

The lessons learned from the experiences of the Eighth National Assembly in its success and failure will be of use to the Ninth National Assembly and enable it to continue undergoing vigorous changes in order to fulfill its responsibility as the people's highest organ of power. The appeal of the National Assembly in this session will certainly be heeded by millions of our compatriots and combatants in their daily life.

Hanoi Industries in the Process of Renovation

BK0101152992 Hanoi VNA in English 1501 GMT 1 Jan 92

[Text] Hanoi VNA January 1—Hanoi's state-owned industries have 48 units, but in the first 9 months of 1991 at least 30 units showed a drop in production compared to the same period of last year. The total value of their products (expressed in 1989 fixed prices) reaches only 84.08 percent of last year's corresponding period, or only 58.26 percent of the state plan. This is fully borne out by the amount of unsold products still sitting in warehouses. After two years of managerial changes in enterprises all over the country, Hanoi's industries have adopted new ways and methods in production and management in order to survive and further develop. Stress is now put on the product quality. They [words indistinct] accept, and even look for, smaller and shorter-term contracts. Many other enterprises have upgraded their technological equipment, making in-depth investments and ensuring a synchronized production line. In 1990, investments were made in 14 projects amounting to dong 5 billion. Some of those projects have been put into commission. In 1991, investments focused on 10 groups of projects, eight of which are being provided with entirely new equipment involving capital of over dong 14 billion. Up to now, 17 new production lines have become operational and 32 new technological methods have taken shape, creating bases for the raising of product quality. A diversity in production has also emerged with 97 new or improved products, 84 of them being turned out on a large scale, of these some have found new outlets abroad. For example, canvas footwear produced by Thuong Dinh and Thuy Khe enterprises will be exported to Italy, France and Algeria, napkins produced by Minh Khai factory exported to Japan, garments produced by No. 40 garment factory exported to South Korea and Thailand, locks, produced by the Vietnam-Czechoslovakia Friendship Factory exported to Iraq and Algeria and plastic items produced by Hanoi plastic factory exported to Sweden. Products for home use have shown a visible imporvement in their packaging and some have acquired more popularity among customers. Electric fans, tulle mosquito-nets, table-cloths,

socks and stockings, artificial leather items, plastic articles and footwear are just some of the successes. Thanks to the production of high value commodities, turnover of the whole industrial branch reached dong 122 billion in the first 9 months of 1991, and more than dong 8 billion have been remitted to the state budget. Exports have reached dong 2.2 billion. Unemployment has decreased thanks to the availability of work, especially in units producing for export. In the immediate future, Hanoi's industries have to improve the quality of their knitwear articles and their garments so as to ensure stable markets in South Korea, Taiwan and Thailand. Leather footwear has acquired stable markets in France, Italy and Algeria, along with locks in Algeria, and kerosene lamps in China. These companies must renew equipment at all costs and by all sources of investment, energetically look for markets, stabilize elements in input, enlarge alliances and joint ventures, and enter into cooperation with domestic and foreign partners.

Reports on Troops Sent to Border Denied

BK2812150091 Hanoi VNA in English 1415 GMT 28 Dec 91

[Text] Hanoi VNA Dec. 28—Some foreign news agencies recently reported that Vietnam had sent its troops to Vietnam-Cambodia border areas and that some officials of the Phnom Penh government who had been the target of recent public demonstrations had fled to Vietnam.

VIETNAM NEWS AGENCY is authorised to reject those ill-international [preceding word as received] pieces of news.

U.S. Government Provides Humanitarian Aid

BK0201030092 Hanoi Voice of Vietnam in English 1000 GMT 1 Jan 92

[Text] Vietnam has received $1 million worth of humanitarian aid from the U.S. Government. This aid focused on plastic surgery and rehabilitation for the disabled in Vietnam. The aid was transferred via two humanitarian organizations—The World Vision and [name indistinct]—by the U.S. Agency for International Development.

The memorandum on the program of rehabilitation and orthopedic assistance to Vietnam was signed in Hanoi Monday [30 December] between the Ministry of Labor, War Invalids, and Social Affairs of Vietnam and the World Vision.

Under the documents, the production of artificial limbs will be promoted and the orthopedic and rehabilitation centers in Vinh, Danang City, Quang Ninh and Can Tho and the branches in Thanh Hoa, Quang Ngai, and Hue upgraded with the funds from the U.S. Government.

Japan To Give 4 Billion Yen Aid in 1992

BK0201025492 Hanoi Voice of Vietnam in English 1000 GMT 31 Dec 91

[Text] The Japanese Government plans to provide a 4 billion yen aid to Vietnam in 1992. This is the first formal aid to be funded to Vietnam after 14 years.

Indonesian Group Signs Agricultural Agreement

BK0101151092 Hanoi VNA in English 1450 GMT 1 Jan 92

[Text] Hanoi VNA Jan. 1—A delegation of the Indonesian Peasants Association has paid a visit to Vietnam to inquire into possibilities of cooperation in agricultural production, rural development and coordination of actions in the region and at international forums.

The delegation signed here today a cooperation and friendship agreement with the Vietnam Peasants Association.

The Indonesian guests visited the Ho Chi Minh Mausoleum and toured Ho Chi Minh City and Thanh Hoa Province in central Vietnam.

They were received by Vice Premier Nguyen Khanh.

Recognition Message Sent to Russia, Ukraine

BK2712151191 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 27 Dec 91

[Text] On 27 December 1991, our Foreign Minister Nguyen Manh Cam sent a message to the foreign ministers of the federation countries of Russia and Ukraine to inform them of the Vietnamese Government's decision to recognize these countries and to prepare to establish diplomatic ties with them.

Opening of Embassy in Singapore Reported

BK2812150191 Hanoi VNA in English 1424 GMT 28 Dec 91

[Text] Hanoi VNA Dec.28—The Vietnamese Embassy in Singapore was opened Thursday in furtherance of an agreement reached between Singaporean Premier Goh Chok Tong and his Vietnamese counterpart Vo Van Kiet during the latter's recent visit to Singapore.

In his reception of Vietnam's Embassy Charge D'affaires Nguyen Manh Hung, Singapore's Foreign Minister Wong Kan underlined the importance of the agreements on strengthening the political, commercial, investment and tourism ties between the two countries signed during the Vietnamese premier's visit to Singapore. He reaffirmed Singapore's support for Vietnam's participation in the 1976 Bali Treaty.

Australia

Farmers Protest U.S. Subsidies on Grain Sales

BK0201002892 Hong Kong AFP in English 2357 GMT 1 Jan 92

[Text] Canberra, Jan 2 (AFP)—Australian farmers marched Thursday on the national parliament, where Prime Minister Paul Keating resumed talks on international trade with visiting U.S. President George Bush.

An estimated 700 farmers carried banners protesting the U.S. Export Enhancement Program (EEP), which subsidises American grain sales and, the farmers say, cost Australia at least 550 million dollars (420 million U.S.) last year.

The mood of the demonstration was good humored but resigned and some of the placards directed the farmers' hostility towards Keating as much as to Bush.

"There are no votes for Labor in the countryside," said Alex (?Arbulot), president of the Victorian Farmers' Federation. "It takes a major campaign to unite farmers."

Latest figures indicate a modest recovery in the non-rural sector of the Australian economy after eighteen months of recession, but the farm sector remains deeply depressed.

The rally, according to one participant, was "pitifully small" compared to the crowd of at least 45,000 which assembled here in 1985 to protest European grain subsidies.

But rice farmer Laurie Blackmore, from Jerilderie in southern New South Wales, said few farmers could afford the 35-dollar bus fare which he paid to come to Canberra.

Blackmore, a former Air Force intelligence officer, carried a sign reading: "I helped the U.S. in Vietnam—will the U.S. help me now?"

Blackmore and his father operate two farms of 1,300 acres and produce about 550 tonnes of rice a year.

"This year it is simply not profitable to grow," he said, adding that it was almost impossible for people like him to switch to alternative crops. "It's expensive to get into rice, and once you're in you want to stay in."

The farmers marched from Canberra's old parliament building to the recently opened parliament building where their national president, Graham Blight, and three other officials were to have a 20-minute meeting with Bush later.

At the back of the procession came a large tin structure shaped like a Trojan horse bearing the slogan "New wheat orders, not new world order," a reference to Bush's claim that the demise of communism in the Soviet Union has ushered in a new era of international cooperation.

John Nash, who grows wheat, sorghum and barley and runs sheep and cattle on a 1,000-acre farm at Tamworth in New South Wales, said he and his wife would be lucky to earn the equivalent of the unemployment benefit this year.

Nash rejected the Keating government's assertion that the EEP is not as bad as European subsidies.

"We lump the Americans together with the French," he said. "What they are doing to Australia is hurting us."

Nash said the EEP would cost the Australian economy more than three billion dollars (2.28 billion U.S.) because of what he called the multiplier effect.

The procession was lead by six horsemen and women carrying huge American flags, and many of the placards carried plays on the visiting President's name such as "We've been amBushed" or "we've been Bushwacked"

Grains Council of Australia President Andrew Inglis told the rally it was time the United States stopped behaving like a schoolyard bully and behaved instead like the head prefect.

Foreign Minister: Consulate To Open in Ecuador

BK0201080092 Melbourne Radio Australia in English 0800 GMT 2 Jan 92

[Text] Australia is to open a consulate in Ecuador as part of efforts to improve relations in Latin America. Foreign Affairs Minister Gareth Evans says the office will be staffed by an honorary consul and supervised by the Australian Embassy in Caracas.

He says the consulate will handle visa and immigration inquiries, provide information on tourism and commercial opportunities, and help Australians visiting Ecuador.

Fiji

President Defends 'Chiefly System of Leadership'

BK0101072892 Melbourne Radio Australia in English 0500 GMT 1 Jan 92

[Text] Fiji's President Ratu Sir Penaia Ganilau says the island republic (?has moved) to the future with considerable optimism as the country prepares for the first general elections under the new Constitution.

In his new year message Ratu Sir Penaia said Fiji had come through several years of hardship. He defended the country's chiefly system of leadership saying that it had not only served Fijians well but it acted as a stabilizing influence to the force of moderation, balance, and fair play in a multiracial community.

In an apparent reference to the campaign by the Fiji Trade Union Congress against Fiji's new labor laws, the president said inflammatory remarks and threats to cripple the country's national industry (?had tried) to drive a wedge between the different cultures.

Ratu Sir Panaia said it would be a terrible tragedy if the deeds of a few people were allowed to endanger or destroy what he called the new order of stability painstakingly built up over the years by the majority of all races in Fiji.